

MINUTES
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 14

February 12, 2018

The Board of Directors (the "Board") of Fort Bend County Levee Improvement District No. 14 (the "District") met in regular session, open to the public, on the 12th day of February, 2018, at One Avalon Place, Sugar Land, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

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

and all of said persons were present, thus constituting a quorum.

Also present at the meeting were Jeff Perry and Ross Autrey of Levee Management Services ("LMS"); Robin Goin of Bob Leared Interests ("BLI"); Jason Kelly of LJA Engineering, Inc. ("LJA"); Christina Perry of Myrtle Cruz, Inc. ("MC"); Justin Klump of Storm Water Solutions, LP; Arvind Thekdi, resident of the District; and Angela Lutz and Nikole Cales of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the January 8, 2018 regular meeting. After review and discussion, Director Krog moved to approve the minutes of the January 8, 2018 regular meeting, as submitted. Director Anderson seconded the motion, which passed by majority vote.

COMMENTS FROM THE PUBLIC

No public comments were received by the Board.

ARBITRAGE REBATE REPORT FOR SERIES 2012 REFUNDING BONDS

Ms. Lutz presented the 5-year arbitrage rebate study for the District's Series 2012 Refunding Bonds from OmniCap Group LLC and reported that there is no payment due to the Internal Revenue Service. Following review and discussion, Director Krog made a motion to accept the arbitrage rebate study by OmniCap Group LLC for the Series 2012 Refunding Bonds and direct that it be filed appropriately and retained in the District's official records. Director Anderson seconded the motion, which carried unanimously.

DISCUSS ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") WINTER CONFERENCE, APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES AND AUTHORIZE ATTENDANCE AT SUMMER CONFERENCE

The Board discussed the winter AWBD Conference and noted no directors attended. After discussion, Director Anderson moved to authorize any interested directors to attend the summer AWBD Conference in San Antonio, TX, June 21, 2018 through June 24, 2018. Director Krog seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Perry distributed and reviewed the bookkeeper's report for January, including the list of checks presented for approval, investment report and budget comparison, a copy of which is attached. Director Anderson stated the expenses incurred due to PS Lightwave's unauthorized fiber optic cable installation should be divided between the District, the Avalon and Brazos Homeowners Associations, and First Colony Levee Improvement District No. 2, since the District is negotiating terms that will benefit all entities impacted.

Following review and discussion, Director Krog moved to approve the bookkeeper's reports, investment reports, and authorize payment of the District's bills, subject to changes discussed. Director Draksharam seconded the motion, which passed unanimously.

ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Ms. Lutz discussed the Resolution Concerning Exemptions from Taxation ("Resolution") with the Board. After review and discussion, Director Krog moved to adopt the Resolution, granting a \$70,000 exemption for residents aged 65 years and older and/or disabled for 2018 and direct that the Resolution be filed appropriately and retained in the District's official records. Director Draksharam seconded the motion, which carried unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Goin distributed and reviewed the tax assessor/collector's report for January, a copy of which is attached. She noted the District's 2017 taxes are 95.5% collected as of January 31, 2018. Ms. Goin reviewed a delinquent list with the Board, a copy of which is attached to the tax assessor/collector's report. After review and discussion, Director Krog moved to approve the tax assessor/collector's reports and payment of the tax bills. Director Draksharam seconded the motion, which passed by unanimous vote.

MATTERS PERTAINING TO THE CITY OF SUGAR LAND ("CITY")

Mr. Kelly stated the City is currently working on a drainage study for Commonwealth Boulevard and Elkins Boulevard.

PHASE II MS4 STORM WATER MANAGEMENT PLAN ("SWMP") IMPLEMENTATION

Mr. Klump presented and reviewed Year 5 Goals and Training. He reviewed a new educational insert. After review and discussion, Director Krog moved to approve the Year 5 Goals; adopt Storm Water Guidance manual chapter on public education outreach; adopt the illicit discharge detection and elimination program; complete and adopt Construction Site Runoff Control Program; and authorize posting of educational information regarding storm water runoff. Director Draksharam seconded the motion, which passed by unanimous vote.

The Board authorized ABHR to post the education insert on the District's website and requested a link to www.cleanbayous.org be added to the District's website. Mr. Thekdi asked about the public education for storm water. Mr. Klump stated the City of Sugar Land ("City") handles some of the public education and last year the District placed signs in the District directing residents to cleanbayous.org.

REPORT ON LEVEE MAINTENANCE

There was no report presented for the Board's consideration. Director Draksharam requested Champions email the report to the Board.

ENGINEERING MATTERS

Mr. Kelly distributed and reviewed the engineer's report, a copy of which is attached.

Mr. Kelly updated the Board regarding the unauthorized installation of fiber optic cabling on District property. Director Anderson stated all interested parties met with PS Lightwave and noted all parties plan to finalize an agreement to resolve the matter.

Discussion ensued regarding possible District improvements. Mr. Kelly stated he will present schematics for the new storm water pump station ("pump station"). He stated the new additional pumping capacity is 128,000 gallons per minute which will allow the District to pump 12.5 inches of total water out of the District in a 24-hour period. Mr. Kelly stated additional pumps are not submersible pumps. Mr. Kelly stated the new pump station will be outfitted with its own generator. The Board requested the new pump station include a bunk house and restroom facilities for consultants to use during an emergency event. Discussion ensued regarding backup

pumps, a concrete pad for the redundant pumps, and installation of a larger access pad for installation and access. The Board noted they want the building to withstand a Category 5 hurricane. It was noted most of the property where the proposed pump station will be installed is owned by the homeowner's association and the land will need to be transferred to the District. The Board noted the pumps and pump station need to be aesthetically pleasing to residents. Mr. Kelly stated he is looking into repurposing the stop logs hoist crane to possibly pull pumps if needed. He stated mechanical sluice gates will be installed. Mr. Kelly discussed possible capital improvement options previously presented. A copy of the capital improvement options is attached to the engineer's report. The Board requested Mr. Kelly present an engineering report for the pump station project along with a cost estimate.

Mr. Kelly reported the boring under the District's east levee at First Colony Levee Improvement District No. 2 has been completed.

Mr. Kelly stated LJA and LMS are still coordinating with the City regarding updates to the District's Emergency Action Plan.

Mr. Kelly stated LJA will begin to update the District's Capital Improvement Projects spreadsheet in the first quarter of 2018.

Mr. Kelly discussed a discrepancy between the current flood insurance maps and the elevations of District homes. He reported some homes in the District are being reflected on the maps as being in the floodplain. He recommended submitting a Letter of Map Amendment to remove the residences inside the District that are being reflected as in the floodplain. He stated the cost to prepare and submit a Letter of Map Amendment is \$8,500, plus submittal fees. Mr. Kelly stated receipt of a Letter of Map Amendment will cover all impacted homeowners within the District. After review and discussion, the Board authorized Mr. Kelly to prepare a Letter of Map Amendment in an amount not to exceed \$10,000.

The Board concurred to hold a joint special meeting with the homeowners associations once the design of the pump station is complete. Director Draksharam discussed the possibility of Mr. Kelly preparing a report detailing the effect of Hurricane Harvey if the District was not protected by the District's levee as well as the impact to the District if it did not have pumps. The Board concurred to defer authorization for Mr. Kelly to move forward with such a study.

Mr. Kelly reviewed a list of proposed recommended spare parts for the District's facility, a copy of which is attached to the engineer's report. He stated LJA's recommendations were in line with the recommendations presented by LMS last month. Mr. Perry stated he will present cost estimates for the inventory of parts next month.

After review and discussion, Director Krog moved to approve the engineer's report. Director Draksharam seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Mr. Perry presented and reviewed the operator's report and updated the Board regarding operating matters, and maintenance and repairs within the District. A copy of the report is attached. He stated quarterly ant bait treatment was applied.

Mr. Perry stated the backslope swale on the south side of University Boulevard needs to be regraded. He stated the repair will cost approximately \$1,000. Discussion ensued regarding various areas holding water during heavy rain events.

Mr. Perry updated the Board regarding the posting of signs opposite the entrance signs for the District, reflecting that pedestrians or drivers are exiting the District. He stated the estimated cost for installation is \$280.00 per sign and noted the signs will be designed to meet City approval. Mr. Perry stated there are a total of approximately ten signs.

After review and discussion, Director Krog moved to (1) approve the operator's report; (2) authorize the operator to repair the back slope swale on the south side of University Boulevard in an amount not to exceed \$1,000; and (3) approve the installation of signs as deemed necessary by the District's operator in an amount not to exceed \$2,800. Director Draksharam seconded the motion, which passed unanimously.

AMENDMENT TO AGREEMENT WITH LEVEE MANAGEMENT SERVICES, LLC

The Board tabled this item.

APPROVE DISTRICT INFORMATION KIT

The Board reviewed the District Information Kit. After review and discussion, Director Draksharam moved to approve the District Information Kit and direct it be filed appropriately and retained in the District's official records. Director Krog seconded the motion, which passed unanimously.

WEBSITE

Ms. Lutz stated ABHR will request the website administrator to add the items discussed. Discussion ensued regarding locating the District's website via a google search and requested ABHR contact Off Cinco regarding the matter.

AUTHORIZE EXECUTION OF ENGAGEMENT LETTER WITH ABHR LLP TO SERVE AS ATTORNEY FOR THE DISTRICT

The Board tabled this item.

PERIMETER LEVEE INSPECTION AND MEETINGS, DISCUSS COMMON INSPECTION AND OPERATION AND MAINTENANCE AND REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS REGARDING EVENTS AND ACTIVITIES ATTENDED DURING THE MONTH

Ms. Lutz updated the Board regarding the Fort Bend Flood Management Association meeting and the new direction of the organization. She stated the next meeting will be on March 9, 2018, at 12:00 p.m. at the Fort Bend Economic Development Council building.

Director Anderson updated the Board regarding the perimeter meeting.

DISCUSS NEXT MEETING DATE

The Board discussed its regular meeting date and concurred to meet on March 12, 2018, at 3:00 p.m.

CONSULTANT REVIEW PROCESS

The Board concurred not to review the auditor's contract, and to review the bookkeeper's contract at the next meeting.

It was noted the District's audit for the fiscal year September 30, 2017, has not been received from the District's auditor.

There being no further business, the meeting was adjourned.



Herbert P. Iago
Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	<u>Page</u>
Bookkeeper's report.....	2
Tax assessor/collector's report	2
Engineer's report.....	3
Operator's report.....	5