

MINUTES
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 14

August 13, 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 13th day of August, 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 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"); Lenny Hardoin of Champions Hydro-Lawn, Inc. ("Champions"); Greg Lentz of Masterson Advisors LLC; Arvind Thekdi, resident of the District; and Lynne B. Humphries and Nikole Cales of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the July 9, 2018, regular meeting. After review and discussion, Director Krog moved to approve the minutes of the July 9, 2018, regular meeting, as submitted. Director Draksharam seconded the motion, which passed by majority vote.

COMMENTS FROM THE PUBLIC

There were no members of the Board who wished to address the Board.

AUTHORIZE ATTENDANCE AT 2019 NATIONAL ASSOCIATION OF FLOOD AND STORMWATER MANAGEMENT AGENCIES ("NAFSMA") CONFERENCE

The Board discussed the 2019 NAFSMA conference which will be held in Rancho Palos Verde, California, August 19, 2019 through August 22, 2019. After review and discussion, Director Krog moved to authorize any interested directors to attend the 2019 NAFSMA conference. Director Draksharam seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Perry distributed and reviewed the bookkeeper's report for August, including the list of checks presented for approval, investment report and budget comparison, a copy of which is attached.

Ms. Perry stated the District received a late invoice for pump rentals during Hurricane Harvey, which is reflected on this month's report. Mr. Perry stated the invoice was submitted to Federal Emergency Management Agency ("FEMA") for reimbursement.

Ms. Perry reported she opened a new account for the Capital Improvement Projects ("CIP") reserve fund. The Board requested she move the funds from Compass Bank to a Tex Pool account.

The Board discussed the PS Lightwave tracking sheet and Director Anderson stated he needs to review his director fees to make sure all of his time with this matter is included.

The Board discussed the Certificate of Deposit ("CD") with Allegiance Bank that expired in June. Ms. Perry stated the CD was not renewed and noted she will follow up regarding the matter.

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

AMEND BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2018

The Board discussed possibly amending the budget for the fiscal year ending September 30, 2018 and concurred to defer the matter.

DISCUSS BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2019

Ms. Perry presented and reviewed a draft of the District's budget for the fiscal year ending September 30, 2019, a copy of which is attached to the bookkeeper's report. The Board concurred to defer approval of the budget for the fiscal year ending September 30, 2019.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Goin distributed and reviewed the tax assessor/collector's report for July, a copy of which is attached. She noted the District's 2017 taxes are 99.7% collected as of July, 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 Anderson seconded the motion, which passed by unanimous vote.

DISCUSS 2018 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered setting a date for a public hearing on the District's 2018 tax rate. Mr. Lentz distributed and reviewed a tax rate analysis, a copy of which is attached, reflecting the effects of levying a 2018 debt service tax rate of \$0.085 per \$100 of assessed valuation. After review and discussion, Director Krog moved to (1) set a public hearing on September 10, 2018, at 3:00 p.m. at One Avalon Place, Sugar Land, Texas to adopt a tax rate of \$0.2095 per \$100 of assessed valuation, consisting of \$0.1245 to provide for the District's maintenance and operations and \$0.085 to provide for the District's debt service obligations; and (2) authorize the tax assessor/collector to publish in the *Fort Bend Independent*. Director Draksharam seconded the motion, which carried unanimously.

Mr. Lentz presented and reviewed an analysis that reflects a possibility of a future bond issue and accounts for an increased tax rate for the debt service component, a copy of which is attached. Discussion ensued regarding current tax rates and the impact to residents if rates were increased to fund District improvements.

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

There was no discussion regarding this item.

PHASE II MS4 STORM WATER MANAGEMENT PLAN IMPLEMENTATION

There was no discussion regarding this matter.

REPORT ON LEVEE MAINTENANCE

Mr. Hardoin presented and reviewed the levee maintenance report and updated the Board regarding mowing and maintenance of the District's levee. A copy of the report is attached.

Director Anderson stated he observed rutting at University Boulevard on the northeast side of the levee and requested Champions survey the area and determine if repairs are necessary.

Upon a motion made by Director Krog and seconded by Director Draksharam, the Board voted unanimously to approve the report.

LANDSCAPE UPGRADE AND LIGHTING AROUND PICNIC AREA AND BOAT DOCK AT THE BRAZOS LANDING

Ms. Cales stated no additional information was received from the Brazos Landing Property Owners Association as requested by the Board.

ENGINEERING MATTERS

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

Mr. Kelly stated Director Anderson and LJA will meet with EnTouch regarding the unauthorized installation of fiber optic cables on District property. Director Draksharam requested the bookkeeper track expenses for the matter and request reimbursement from EnTouch as a part of a final agreement.

Mr. Kelly updated the Board regarding PS Lightwave matters.

Mr. Kelly reviewed plans to possibly raise the District's levee in various locations to have an approximate uniform elevation of 80.7 feet throughout the District. He stated the District will be able to obtain fill dirt from the City, which could cost approximately \$700,000.

The Board discussed the possibility of purchasing a Tiger Dam trailer to utilize at Elkins Boulevard and other locations as necessary.

Discussion ensued regarding various improvements including armoring the levee. Further discussion took place regarding the design of the District's pump station expansion.

Mr. Kelly reported the letter of map amendment was approved by FEMA and noted the information has been posted to the District's website. He stated the amendment corrected the erroneous map which reflected a portion of some homes within the District as being in a flood plain. Mr. Thekdi stated he will share the letter at the next homeowners association meeting.

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

REVIEW PRELIMINARY ENGINEERING REPORT AND AUTHORIZE ENGINEER TO PROCEED WITH NECESSARY STEPS

The Board concurred to defer this item.

FEMA APPLICATIONS FOR FUNDING

Ms. Cales updated the Board regarding FEMA reimbursement matters.

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.

Mr. Perry updated the Board regarding the weather station at the District's pump station and stated LMS is coordinating with the City and Harris County regarding the repair, which is approximately \$4,000. He stated a new weather station would cost approximately \$17,000. Mr. Perry stated the maintenance responsibility of the weather station is still being determined. After discussion, the Board concurred to authorize repairs to the weather station in an amount not to exceed \$4,000 as long as the City agrees to handle maintenance of the station moving forward.

Mr. Perry discussed an opportunity to install a system at the District's pump station that will monitor water levels, pumping levels, rainfall amounts and equipment functioning. He stated there are upfront costs as well as an approximate \$550.00 monthly fee. The Board requested Mr. Perry send the information to the District's engineer and Board for review.

Mr. Perry discussed the installation of flood gauges and possible locations. He stated he and the District's engineer are still coordinating appropriate locations to install the gauges. Director Draksharam stated he wants a water depth chart on the pier of the bridge at University Boulevard for pedestrian viewing.

Mr. Perry updated the Board regarding the purchase of temporary pumps. He stated a diesel pump that is able to pump 5,500 gallons per minute is approximately \$60,000. Discussion ensued regarding levee districts jointly purchasing pumps to utilize as necessary, which would be stored and maintained by the Fort Bend County Drainage District ("FBCDD"). It was noted the District may not have priority access to equipment that is jointly purchased and maintained by the FBCDD.

Director Draksharam discussed the installation of entrance and exit signs and truck crossing signs and inquired why the installation was delayed. Mr. Perry stated the District received a permit for the truck crossing signs but Hurricane Harvey occurred shortly after the permits were granted and LMS shifted to emergency operations and recovery efforts, so the installation was delayed and then the permit expired before the signs were installed. Mr. Kelly stated he meets with the City this week and will discuss the matter with them at that time.

Mr. Perry stated marker pins were installed along the District's levee to track Brazos River erosion. He stated LMS will continue to monitor the erosion and update the Board. The Board requested Mr. Perry provide erosion updates semi-annually,

within 30 days of a high water or large storm event or as directed by the District's engineer. Mr. Kelly stated LMS also installed markers a few years ago to monitor erosion and noted he will see if both the markers and pins can be coordinated for a complete monitoring system.

Mr. Perry reported LMS and Lake Management are coordinating regarding the replacement of the bulkhead caps and stated 75 caps are missing. He noted he is still preparing a cost estimate to replace the caps.

After review and discussion, Director Krog moved to approve the operator's report; and approve the weather station repair in an amount not to exceed \$4,000 subject to the City agreeing to ongoing maintenance of the station. Director Draksharam seconded the motion, which passed unanimously.

WEBSITE

The Board requested the tax rate notice be posted on the District's website.

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

Director Anderson updated the Board regarding the perimeter levee meeting and Fort Bend Flood Management Association ("FBFMA") matters. The Board concurred to rejoin the FBFMA in January, 2019.

Director Draksharam requested Mr. Thekdi discuss mowing issues at the HOA meeting and request mowers not mow so close to the edge of the lake, which is causing damage to and loss of the bulkhead caps.

DISCUSS NEXT MEETING DATE

The Board discussed its regular meeting date and concurred to meet on September 10, 2018, at 3:00 p.m. The Board concurred to hold a special meeting on August 28, 2018 at 3:00 p.m.

CONSULTANT REVIEW PROCESS

The Board concurred to table review of the bookkeeper's contract until the next meeting.

There being no further business, the meeting was adjourned.

(SEAL)



Herbert P. Krug
Secretary, Board of Directors

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