

MINUTES
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 14

February 11, 2019

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 11th day of February, 2019, at One Avalon Place, Sugar Land, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Sujeeth Draksharam	President
Herbert Krog	Vice President/ Assistant Secretary
Shaizad Chatriwala	Secretary/ Assistant Vice President

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

Also present at the meeting were Alan Sandersen of Sandersen & Scheffer, PLLC ("Sandersen"); 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"); Lenny Hardoin of Champions Hydro-Lawn, Inc. ("Champions"); David Beyer of Storm Water Solutions, LLC ("SWS"); Keisha Seals of the City of Sugar Land ("City"); Tayo Ilori of McGrath & Co., PLLC ("McGrath"); Greg Cox of Knox Cox & Company, LLP ("KC"); Brian Toldan of McCall Gibson Swedlund Barfoot PLLC ("McCall"); Jeff Anderson, former director and member of the public; and Lynne Humphries and Nikole Cales of Allen Boone Humphries Robinson LLP ("ABHR").

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Goin distributed and reviewed the tax assessor/collector's report for February, a copy of which is attached. She noted the District's 2018 taxes are 96.1% collected as of January, 2019. 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.

DIRECTOR MATTERS INCLUDING:

ADOPT RESOLUTION ACKNOWLEDGING DIRECTOR ANDERSEN FOR SERVICE

Ms. Humphries reviewed a Resolution Commending Jeffrey Anderson for Service to Fort Bend County Levee Improvement District No. 14 and a Resolution commemorating his service as a director. After review, Director Krog moved to adopt the Resolution and direct that the Resolution be filed appropriately and retained in the

District's official records. Director Draksharam seconded the motion, which passed unanimously.

ACKNOWLEDGE APPOINTMENT OF NEW DIRECTOR APPOINTED BY FORT BEND COUNTY COMMISSIONERS COURT ("COURT"), APPROVE SWORN STATEMENT, OFFICIAL BOND AND OATH OF OFFICE

Ms. Humphries stated the Court has appointed Mr. Shaizad Chatriwala as Mr. Anderson's replacement. The Board then considered approving the Sworn Statement, Oath of Office and Official Bond for Mr. Chatriwala. After review and discussion, Director Krog moved to approve the Sworn Statement, Official Bond and Oath of Office for Mr. Chatriwala. Director Draksharam seconded the motion, which passed by unanimous vote.

RE-ORGANIZE THE BOARD OF DIRECTORS AND AUTHORIZE EXECUTION OF DISTRICT REGISTRATION FORM

The Board then considered reorganizing the Board. After discussion, the Board concurred to reorganize the Board as follows:

Sujeeth Draksharam	President
Herbert Krog	Vice President/ Assistant Secretary
Shaizad Chatriwala	Secretary/ Assistant Vice President

Ms. Humphries stated the District Registration Form must be filed with the Texas Commission on Environmental Quality ("TCEQ") to show the new slate of officers. After discussion, Director Krog made a motion to authorize ABHR to file the District Registration Form with the TCEQ. Director Draksharam seconded the motion, which carried unanimously.

OPEN MEETINGS ACT AND PUBLIC INFORMATION ACT TRAINING REQUIREMENTS

Ms. Humphries reviewed a Memorandum from ABHR regarding the Open Meetings Act and Public Information Act Training Requirements. Ms. Humphries reported that, effective January 1, 2006, the Texas Legislature requires each elected or appointed public official to complete a course of training of not less than one and not more than two hours regarding the responsibilities of the governmental body and its members under the Texas Open Meetings Act, Chapter 551, Government Code. Director Chatriwala presented his certificate to Ms. Cales for his completed training, which will be filed in the District's official records.

CONFLICT OF INTEREST DISCLOSURE REQUIRED UNDER CHAPTER 176 OF THE TEXAS LOCAL GOVERNMENT CODE, INCLUDING REVIEW OF DISCLOSURE FORMS ADOPTED BY THE TEXAS ETHICS COMMISSION

Ms. Humphries next reviewed Chapter 176 of the Texas Local Government Code, which requires directors and consultants to disclose certain conflicts of interest. She reviewed the forms adopted by the Texas Ethics Commission for making disclosures under Chapter 176 and noted that the forms are required to be filed with the records administrator for the District within 7 days of a disclosable conflict arising. Ms. Humphries explained that failure to make a disclosure required under Chapter 176 is a Class C misdemeanor. She encouraged the Board to contact ABHR if assistance is needed in determining whether a conflict requires disclosure or in making a required disclosure.

REVIEW LIST OF LOCAL GOVERNMENT OFFICERS PURSUANT TO CHAPTER 176 OF THE TEXAS LOCAL GOVERNMENT CODE

The Board reviewed a list of the District's Local Government Officers ("List"). After review and discussion, Director Krog moved to approve the List and direct that it be filed appropriately and retained in the District's official records. Director Draksharam seconded the motion, which passed by unanimous vote.

MINUTES

The Board considered approving the minutes of the January 14, 2019, regular meeting. After review and discussion, Director Krog moved to approve the minutes of the January 14, 2019, regular meeting, as submitted. Director Draksharam seconded the motion, which passed by majority vote.

COMMENTS FROM THE PUBLIC

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

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 Krog moved to authorize any interested directors to attend the summer AWBD Conference in Fort Worth, TX, June 13, 2019 through June 17, 2019. Director Chatriwala seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

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

for fiscal year ending September 30, 2019 to add a line item for "system emergency operations testing and maintenance" prior to hurricane season, with \$10,000 allocated to that item. Ms. Perry noted a payment from P.S. Lightwave was received for its share of expenses associated with the preparation and negotiation of the agreement and consent for fiberoptic cable installation. Following review and discussion, Director Krog moved to (1) approve the bookkeeper's report, investment reports, and authorize payment of the District's bills; and (2) amend the budget for fiscal year ending September 30, 2019, as discussed. Director Chatriwala seconded the motion, which passed unanimously.

FEMA APPLICATIONS FOR FUNDING

Director Draksharam and Mr. Perry updated the Board regarding FEMA reimbursement matters.

Mr. Perry discussed Director Draksharam's request to submit a Hazard Mitigation Grant Application ("Application"). Director Draksharam discussed the Application and stated the District submitted two applications for the Gator Pumps purchase and installation and the generator purchase for existing pumps. Mr. Draksharam stated that the applications included approximately \$180,000 in costs for the installation of the Gator Pumps, of which the District may expect to receive a reimbursement of approximately \$135,000 from the Texas Division of Emergency Management ("TDEM"). He also stated the District submitted costs of \$460,000 for the portable generators, which includes \$100,000 for motor control panel, and if approved, the District can expect to receive approximately \$345,000 in reimbursement funds from TDEM.

Mr. Perry stated that the Hazard Mitigation Plan ("Plan") has not been developed or filed with TDEM and will need to be filed with the State of Texas. He also stated that the Board will need to enter into an Interlocal Agreement with the City or Fort Bend County. Discussion ensued regarding the filing requirements and the timeline for preparation and submittal of the Plan.

After review and discussion, Director Krog moved to (1) authorize preparation of the Plan and the Interlocal Agreement with Fort Bend County or the City, as appropriate; and (2) authorize the President to execute and approve the agreement and Plan upon finalization. Director Chatriwala seconded the motion, which passed unanimously.

ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Ms. Humphries 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 2019 and direct that the Resolution be filed appropriately and retained in the District's official records. Director Chatriwala seconded the motion, which carried unanimously.

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

Ms. Seals updated the Board regarding City matters and stated she will follow up with Mr. Kelly regarding the outfall structure improvements. She stated she is still working on temporary solutions to address the issues of ponding of water west of Commonwealth and Elkins Boulevards during rain events.

MS4 STORM WATER MANAGEMENT PLAN IMPLEMENTATION AND ADOPT RESOLUTION ADOPTING THE STORMWATER GUIDANCE MANUAL

Mr. Beyer updated the Board on the District's Storm Water Management Plan ("SWMP"). He distributed and reviewed the Year 5 annual report for the SWMP and a summary of the Texas Commission on Environmental Quality ("TCEQ's") permit renewal process for the Texas Pollutant Discharge Elimination System General Permit no. TXR040000, Small MS4 (Phase II) General Permit, a copy of which is attached.

Mr. Beyer began his training session with the Board and consultants. He explained that the time between December 31, 2018, and the adoption date of the new permit, January 24, 2019, will be included in the Year 1 annual report for the new permit term. He continued his training by outlining the schedule of events for obtaining permit coverage under the new permit. He stated that the District will have 180 days from January 24, 2019, to obtain permit coverage. Permit coverage will include preparation of a new Stormwater Management Program (SWMP) and submittal of a Notice of Intent (NOI) to the TCEQ. A public meeting will be held as necessary based on significant public interest generated by public comments. Mr. Beyer further explained that once permit coverage is achieved, the District will execute the program elements of Year 1 as outlined in the District's new SWMP during the fourth quarter of 2019.

Following review and discussion, Director Krog moved to approve the Year 5 annual SWMP report. Director Chatriwala seconded the motion, which carried unanimously.

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

ENGINEERING MATTERS

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

Mr. Kelly updated the Board regarding P.S. Lightwave's installation of fiberoptic cables and matters related to EnTouch's unauthorized installation of fiber optic cables on District property.

Mr. Kelly updated the Board regarding the pump station design, proposals for enhancements to the existing pump station, the two-dimensional dynamic analysis. He discussed possible installation of motors in existing pump cans from Gator Pumps or installing vertical turbine pumps at the current pump station.

Mr. Kelly discussed updates to the District's Emergency Action Plan ("EAP") and stated a draft will be presented at the March meeting.

After review and discussion, Director Krog moved to approve the engineer's report. Director Chatriwala 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.

Mr. Perry updated the Board regarding the installation of hog fencing to prevent damage to the District's levee and facilities. He stated he received a bid to install 13,100 feet of fencing to areas where hogs could enter. He stated of the proposals he received, the lowest bidder could install the fencing for \$5.55 per foot, for an approximate total cost of \$72,705. Mr. Perry reported that First Colony Levee Improvement District No. 2's negotiations with the City have been delayed due to routes which may be crossing City's property. He stated the District can move forward with installation of 8,300 feet of fencing and defer the installation of the 1,500 foot, 1,750 foot, and 1,550 foot sections until other levee districts determine the areas they want to install fencing and offer a possible tie-in for the District. Ms. Seals stated she will follow up with First Colony Levee Improvement District No. 2 regarding matters related to City approval. After review and discussion, Director Krog moved to authorize LMS to proceed with the installation of 8,300 feet of fencing along the south section of the levee in the amount of \$5.55 per foot. Director Chatriwala seconded the motion, which passed unanimously. The Board concurred to discuss additional fencing once First Colony Levee Improvement District No. 2 finalizes its negotiations with the City.

Mr. Perry reported the mowers for the homeowner's association ("HOA") are damaging the bulkhead caps and stated he will discuss the matter with the HOA representative. He further reported the new bulkhead caps have arrived and will be installed as weather permits.

Mr. Perry stated the flood gauge at Ditch H will be installed shortly.

Mr. Perry stated additional exit signs have arrived for University and Commonwealth Boulevards and noted the installation was delayed by weather, but they will be installed shortly.

Mr. Perry updated the Board regarding the installation of a metal awning at the pump station building entrance door and stated the awning is being fabricated.

Mr. Perry updated the Board regarding the City of Sugar Land's repair of the weather station and stated weather has delayed the repair. He stated the City will invoice the District \$5,425 for the repairs and \$1,000 for the District's annual maintenance contribution once complete.

Mr. Perry reviewed a spreadsheet detailing a list of the District's current projects, a copy of which is attached to the operator's report. He stated the forebay fabrication for Gator Pumps tractor tie-off will be completed next month.

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

APPROVE DISTRICT INFORMATION KIT

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

WEBSITE

The Board discussed the District's website. Ms. Humphries stated ABHR, LMS and LJA are coordinating regarding the implementation of policies or guidelines relating to posting on the District's website during emergency events.

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 Draksharam updated the Board regarding perimeter levee matters, HOA matters, and Fort Bend County Commissioners Court matters.

DISCUSS NEXT MEETING DATE

The Board discussed its regular meeting date and concurred to move the meeting to March 4, 2019, at 2:00 p.m.

PROPOSALS FROM AUDITORS

Mr. Cox, Toldan and Ilori left the room.

Mr. Sandersen reviewed the District's final audit for the fiscal year ending September 30, 2018, and discussed various items within the audit. He then presented and reviewed a three-year engagement letter to conduct the District's audits for September 30, 2019 through September 30, 2021, a copy of which is attached. Mr. Sandersen then left the meeting.

Mr. Cox entered the meeting and presented and reviewed an engagement letter for KC to conduct the District's audit for the fiscal year ending September 30, 2019, a copy of which is attached. Mr. Cox then left the meeting.

Mr. Toldan entered the meeting presented and reviewed an engagement letter for McCall to conduct the District's audit for the fiscal year ending September 30, 2019, a copy of which is attached. Mr. Toldan the exited the meeting.

Mr. Ilori entered the meeting and presented and reviewed an engagement letter for McGrath to conduct the District's audit for the fiscal year ending September 30, 2019, a copy of which is attached. Mr. Ilori left the meeting.

The Board discussed the District's final audit for the fiscal year ending September 30, 2018, presented at the meeting. The Board acknowledged there may be errors contained in the audit presented by Mr. Sandersen for the fiscal year ending September 30, 2018, but directed ABHR to file the audit with the appropriate entities, as presented by Mr. Sandersen.

Discussion ensued regarding the proposals to conduct the September 30, 2019 audit and the Board concurred to defer the matter until August.

There being no further business, the meeting was adjourned.




Secretary, Board of Directors

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