

MINUTES
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 11

October 26, 2010

The Board of Directors (the "Board") of Fort Bend County Levee Improvement District No. 11 (the "District") met in regular session, open to the public, on the 26th day of October, 2010, inside the boundaries of the District, at the Greatwood Lakes Building, 19855 Southwest Freeway, Sugar Land, Texas, and the roll was called of the members of the Board:

Ron McCann	President
Michael E. Stone	Vice President/ Assistant Secretary
Jared Jameson	Secretary/ Assistant Vice President

and all of the above were present except Director Jameson, thus constituting a quorum.

Also present at the meeting were Ben Rosenberg of Storm Water Solutions, LP; Bob Grant, a resident of the District; Erin Garcia of Myrtle Cruz, Inc.; Greg Ordeneaux of Tax Tech, Inc.; Michael Rusk of LJA Engineering & Surveying, Inc. ("LJA"); Jeff Perry of SWWC Services, Inc. ("SWWC"); and Lynne B. Humphries and Kristen Hogan of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the September 28, 2010, regular meeting, which were provided in advance of the meeting. Following review and discussion, Director Stone moved to approve the minutes as submitted. Director McCann seconded the motion, which was approved by unanimous vote.

COMMENTS AND QUESTIONS FROM THE PUBLIC

There were no public comments.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Garcia distributed and reviewed the bookkeeper's report, including the investment report, monthly budget comparison, and list of checks presented for approval. A copy of the bookkeeper's report is attached. In response to a question from Director McCann, Ms. Garcia said she will correct the formula at the bottom of the District's 2011 budget to incorporate the projected revenue from Fort Bend County Municipal Utility District No. 116 in the total projected operating balance at the end of the fiscal year. Following review and discussion, Director Stone moved to approve the bookkeeper's report and payment of the bills. Director McCann seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Ordeneaux distributed and reviewed the tax assessor/collector's report and delinquent tax roll, copies of which are attached. Following review and discussion, Director Stone moved to approve the tax assessor/collector's report. Director McCann seconded the motion, which passed by unanimous vote.

PHASE II MS4 STORMWATER MANAGEMENT PLAN IMPLEMENTATION

Mr. Rosenberg distributed and reviewed the year three annual report for the District's Storm Water Management Plan ("SWMP"), which must be filed with the Texas Commission on Environmental Quality ("TCEQ") by November 12, 2010. He reported that Greatwood's SWMP Committee reviewed the annual report and recommends approval by all of the Greatwood Districts. Mr. Rosenberg next discussed the year four items for implementation of the SWMP and presented a notice of change regarding the implementation schedule. After review and discussion, Director Stone moved to approve the year three annual report and the notice of change for submittal to the TCEQ. Director McCann seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES, WILD HOG PROBLEM AND POSSIBLE CONTRACT FOR TRAPPING HOGS, AND LANDSCAPING AND FENCING AT CUL-DE-SACS TO PREVENT ACCESS TO LEVEE

Mr. Perry distributed and reviewed the operator's report, a copy of which is attached. He reported on operations and maintenance performed during the previous month, as indicated in the operator's report. In response to questions from Director McCann, Mr. Perry confirmed that the Master District's portable generators are currently being stored at the District's pump station no. 2 under lock and key. After discussion, Mr. Perry said he would ensure the generators are secure.

Director McCann reported on discussions at the previous Greatwood Presidents' meeting regarding the recent wild hog problem in Greatwood and damage to resident yards and areas within the toe of the levee caused by hogs. Mr. Perry presented a proposed Service Agreement from Lone Star Animal Recovery, the hog trapper hired by the Greatwood Community Association ("HOA"), for the Board's consideration to supplement the HOA's efforts and protect the levee. The Board discussed the locations of the HOA's hog traps and the areas with damage. After review and discussion, the Board concurred it was not necessary to enter into a separate contract with the hog trapper since this would duplicate efforts. Mr. Perry noted that the trapper indicated he would come out on an as-needed basis if wild hogs are causing problems in areas without HOA traps.

Mr. Perry said he has nothing new to report regarding the plans for the HOA to install plants in the open cul-de-sac areas it owns with the \$15,000 in funds submitted

by the District to prevent motor vehicle access to the main levee. He said the HOA will not begin the project until the wild hog issue is resolved and will notify SWWC prior to beginning.

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

ENGINEERING MATTERS

Mr. Rusk distributed and reviewed the engineer's report, a copy of which is attached. He updated the Board on the repairs at outfall no. 1 and channel no. 1 and reviewed and recommended approval of Pay Estimate No. 4 in the amount of \$75,411.99. Mr. Rusk said the final inspection will occur this week prior to processing the final pay estimate.

Mr. Rusk discussed the plans for repair of the shoreline retaining wall erosion around the large detention pond. He stated that survey work is underway, with four or five days of field work remaining. Mr. Rusk reported on a meeting with the Golf Club prior to today's District meeting to coordinate the survey schedule to ensure the least possible amount of disruption on the golf course. He added that he will meet with Director Stone next week to review the results of the field surveys.

Mr. Rusk discussed the certification of the perimeter levee by the Federal Emergency Management Agency ("FEMA"). He stated that LJA completed the surveys and submitted the necessary documentation to Fort Bend County to protest the area of the Shores neighborhood that is shown incorrectly on FEMA's preliminary maps. Mr. Rusk said the County submitted the documentation to FEMA.

Mr. Rusk reported that LJA conducted a preliminary inspection of the District's pump station and structures, based on the U.S. Army Corps of Engineers Rehabilitation and Inspection Program. He stated that LJA is scheduling an additional preliminary inspection of the levee and ditches and will prepare inspection reports to present to the Board.

Mr. Rusk then reported on the status of preparation of the District's bond application no. 6. He said LJA is gathering the necessary attachments to finalize the application for review.

Mr. Rusk discussed the slope paving under the bridge and stated that the area inside the bridge right-of-way is the responsibility of the Fort Bend County Road and Bridge Department. In response to a question from Director Stone, Mr. Rusk said the sidewalk under the bridge is not a District facility, but the District agreed to the original location and installation. Discussion ensued regarding the impact of the sidewalk issues on District facilities and the responsibility of the HOA to maintain the sidewalk. Director McCann said John Bowen, who recently resigned from the HOA Board of

Directors, was previously responsible for handling HOA sidewalk issues. After discussion, the Board directed Mr. Rusk to send notice to the HOA requesting they repair the sidewalk and indicating the sidewalk should be maintained properly in the future or it will need to be removed, due to the impact on District drainage facilities.

After review and discussion, Director Stone moved to approve the engineer's report and approve Pay Estimate No. 4 in the amount of \$75,411.99 for the repairs at outfall no. 1 and channel no. 1, based on the engineer's recommendation. Director McCann seconded the motion, which passed unanimously.

DISASTER PREPAREDNESS COMMITTEE MATTERS

Director Stone stated that the Disaster Preparedness Committee has not met.

COMMUNITY PROJECTS COMMITTEE MATTERS

Director McCann reported on discussions at the previous Greatwood Presidents' meeting regarding a suggestion from Director Jameson for the Presidents to consider re-initiating the Community Projects Committee to work with interested HOA representatives and residents on possible park improvements, especially regional improvements such as a bicycle trail along the Brazos River and/or a pedestrian bridge across the Brazos River to the City of Sugar Land's Memorial Park. He said Director Jameson also is a Board member of Fort Bend Green, a non-profit organization interested in regional green space and recreational development. Director McCann said Bob DeForest, previous Master District President and landscape architect who prepared the District's park plan, was asked by Fort Bend Green to work pro bono to prepare drawings for a possible regional trail system along the Brazos River throughout the District, Riverpark, and New Territory. He said the Presidents asked Judy Holy of the HOA to identify any interested HOA representatives to participate in such a committee. Director McCann said he reported to the Presidents that the District would consider holding a park bond election if requested by the Greatwood community. Ms. Humphries reported that Fort Bend County Municipal Utility District No. 106 appointed Stuart Rimes as its Community Projects Committee representative and Fort Bend County Municipal Utility District No. 108 concurred for Roberta Terrell to continue as its Committee representative. After discussion, the Board concurred for Director Jameson to represent the District on the matter.

PROPOSAL FROM T-MOBILE FOR INSTALLATION OF ANTENNA

There was no discussion on this item.

FORT BEND FLOOD MANAGEMENT ASSOCIATION MATTERS/ACTIONS,
FEDERAL FLOOD INSURANCE LEGISLATION, AND ATTENDANCE AT LEVEE
CONFERENCES, INCLUDING NATIONAL FLOOD WORKSHOP

Director McCann reported on Fort Bend Flood Management Association ("FBFMA") matters. He presented a copy of a letter he sent to the FBFMA President regarding his concerns and reasons for voting against the FBFMA hiring a lobbyist. A copy of the letter is attached. Discussion ensued regarding the matters that should be handled, monitored, and funded by the FBFMA.

REPORTS ON GREATWOOD PRESIDENT'S MEETING AND ACTIVITIES AND
FOLLOW UP ON LEVEE AND DRAINAGE FACILITIES AND OTHER DISTRICT
AND GREATWOOD REGIONAL MATTERS, INCLUDING ARTICLES AND
INFORMATION FOR GREATWOOD DISTRICTS' WEBSITE

Director McCann presented correspondence he sent in his capacity as a Greatwood resident to the Master District President regarding a possible solution for the Master District to fund its new water well and loop water line to address low water pressure issues in the back of Greatwood since the Master District no longer expects to receive up-front funds from Terramark Communities ("Terramark") for water and sewer capacity to serve Fort Bend County Municipal Utility District No. 192 ("MUD 192"). He reviewed the proposal included in his correspondence and discussed the cost per home per year to fund the projects. Ms. Humphries noted the original estimate of \$300,000 for the loop water line was based on installing the water line along the levee, which is no longer an option due to the levee recertification. Ms. Humphries added that the estimated cost to construct the loop water line within Greatwood now is between \$600,000 and \$850,000, depending on the route and amount of disruption. Discussion ensued regarding the Master District's budgeted capital costs and funding sources. Ms. Humphries clarified that the Master District increased its monthly connection charge to \$55.00. She said the Master District does not intend to terminate its contract with Terramark at this time since the MUD 192 property will eventually be developed and the developer will be required to pay Master District connection fees, which would allow the Master District to recoup a portion of the project costs to provide water and sewer service.

Ms. Humphries discussed the previous District and Master District protests of the Brazos River Authority's ("BRA") application for a permit to appropriate state water. She noted that the Master District and the BRA reached a settlement agreement, but the District's protest was not settled due to the inability to reach agreement on the terms of the settlement agreement. Ms. Humphries reported on interrogatories and discovery requests ABHR received from the BRA for the District, Fort Bend County Levee Improvement District No. 15 ("LID 15"), and Sienna Plantation Municipal Utility District No. 1 ("Sienna MUD 1"). She stated that Rich Muller of ABHR is working with the BRA to pursue an expedited settlement agreement on behalf of LID 15 and Sienna

MUD 1 and she asked the Board for direction on how they wish to proceed. The Board discussed the terms of a proposed settlement agreement with the BRA. After discussion, the Board concurred for ABHR to pursue a similar expedited settlement agreement on behalf of the District.

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




Secretary, Board of Directors

ACTION LIST

1. The bookkeeper will correct the formula at the bottom of the District's 2011 budget.
2. The engineer will meet with Director Stone next week to review the results of the shoreline retaining wall erosion surveys around the large detention pond.
3. The engineer will send notice to the HOA regarding the necessary sidewalk repairs as discussed.
4. The attorney will negotiate an expedited settlement agreement with the BRA as discussed.

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