

MINUTES
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 11

December 28, 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 28th day of December, 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:

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

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

Also present at the meeting were Gregory S. Cox of Sandersen Knox & Co., PLLC; 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.; and Hannah Brook and Kristen Hogan of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the November 23, 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 Jameson seconded the motion, which was approved by unanimous vote.

COMMENTS AND QUESTIONS FROM THE PUBLIC

There were no public comments.

PREPARATION OF ANNUAL REPORT

Ms. Brook stated that the District is required to file updated financial information and operating data in the form of an annual report with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access System prior to March 31, 2011. She requested authorization for ABHR to work with the District's consultants to prepare the report. Following discussion, Director Stone moved to authorize preparation of the annual report. Director Jameson seconded the motion, which passed by unanimous vote.

AUDIT FOR FISCAL YEAR ENDED SEPTEMBER 30, 2010

Mr. Cox reviewed the District's draft audit for the fiscal year ended September 30, 2010, a copy of which was provided to the Board for review in advance of today's meeting. He noted that comments received from ABHR have been incorporated. After review and discussion, Director Jameson moved to approve the audit for the fiscal year ended September 30, 2010, and direct that the finalized audit be filed appropriately and retained in the District's official records. Director Stone seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS AND AMENDED BUDGET FOR FISCAL YEAR ENDING SEPTEMBER 30, 2011

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. Ms. Garcia stated that payment was received from Fort Bend County Municipal Utility District No. 116 ("MUD 116") for its share of the outfall no. 1 sloughing project. She noted an additional testing invoice that the District received for the project and said she sent a subsequent bill to MUD 116 for its share of the testing invoice.

Ms. Garcia next presented an amended budget for the fiscal year ending September 30, 2010, to adjust the amounts budgeted for the outfall sloughing project construction and engineering and to separate the budgeted revenue from MUD 116 for its share of the sloughing project from the budgeted revenue for pump station no. 1 general operations.

Following review and discussion, Director Jameson moved to approve the bookkeeper's report and payment of the bills and adopt the amended budget for the fiscal year ending September 30, 2011. Director Stone seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Ordeneaux distributed and reviewed the tax assessor/collector's report, a copy of which is attached. Following review and discussion, Director Jameson moved to approve the tax assessor/collector's report. Director Stone seconded the motion, which passed by unanimous vote.

PHASE II MS4 STORMWATER MANAGEMENT PLAN IMPLEMENTATION

Director Jameson reported on discussions at the recent meeting of Greatwood's Storm Water Management Plan ("SWMP") Committee, including discussions with a City of Sugar Land (the "City") storm water management program representative to discuss the City's storm water ordinance and requirements for draining swimming pool

water. He reviewed the action items for implementation of Greatwood's SWMP during the current permit year.

OPERATION OF DISTRICT FACILITIES AND LANDSCAPING 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 a question from Director Stone in connection with the U.S. Army Corps of Engineers ("USACE") Rehabilitation and Inspection Program ("RIP"), Mr. Perry and Mr. Rusk discussed the areas of right-of-way owned by the District outside the toe of the levee. Mr. Rusk discussed the RIP standards, which require a 15-foot vegetation-free zone from the levee if the District owns the 15-foot right-of-way and a mandatory 3-foot root-free zone from the toe of the levee. He said that it may be necessary for the District to obtain an easement from the City along the northern levee from U.S. Highway 59 east to pump station no. 1 to comply with the mandatory 3-foot root-free zone requirement. Director Stone said he anticipates that all Fort Bend County (the "County") levee districts will receive a letter from the County in the near future regarding perimeter levee compliance with RIP standards and the possible establishment of joint operating boards to operate and maintain the perimeter levees. Discussion ensued regarding the RIP standards. After review and discussion, Director Jameson moved to approve the operator's report. Director Stone 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 design of the plans for repair of the shoreline retaining wall erosion around the large detention pond.

Mr. Rusk said he had no update regarding the certification of the perimeter levee by the Federal Emergency Management Agency ("FEMA"). He noted that Fort Bend County submitted the necessary documentation provided by LJA to FEMA to protest the area of the Shores neighborhood that is shown incorrectly on FEMA's preliminary maps.

Mr. Rusk distributed and reviewed a report on the results of LJA's preliminary inspection of the District's pump station and structures, levees, and ditches, based on the RIP standards. The Board reviewed the inspection report and discussed potential issues that USACE would consider unacceptable based on RIP criteria. Mr. Rusk said the redundant levee inspection and associated report are underway. Discussion ensued regarding the function and proper maintenance of redundant levees.

Mr. Rusk then updated the Board on the District's bond application no. 6, noting that the application was submitted to the Texas Commission on Environmental Quality ("TCEQ") on December 22, 2010. He said he plans to meet with the TCEQ reviewer once the application is assigned.

After review and discussion, Director Jameson moved to approve the engineer's report. Director Stone 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 said the new Community Projects Committee has been appointed to work with interested Greatwood Community Association ("HOA") representatives and residents on possible park improvements, especially regional improvements under consideration by Fort Bend Green such as a regional hike and bike trail system along the Brazos River throughout Greatwood, Riverpark, and New Territory, and/or a pedestrian bridge across the Brazos River to the City's Memorial Park. He said Roberta Terrell agreed to chair the Committee and that the HOA was asked to identify two or three interested HOA representatives to join the Committee on these efforts. Ms. Hogan discussed correspondence from the President of the HOA indicating that he and Angie Jameson will participate with the Committee as HOA representatives. She added that the initial meeting of the Committee has not been scheduled.

PROPOSAL FROM T-MOBILE FOR INSTALLATION OF ANTENNA

Mr. Rusk discussed the proposal from T-Mobile presented at last month's meeting for T-Mobile to lease a 30' x 40' area of District property at pump station no. 1 for the construction of a 100' flagpole monopole and a small group of equipment cabinets at the base of the tower. He said T-Mobile requested a drawing showing the District's designated location for the 30' x 40' lease site. Mr. Rusk presented a site plan showing a proposed location for the T-Mobile lease site for the Board's review and approval.

Director Jameson suggested that the District notify the HOA of the plans. Discussion ensued regarding the appearance of a 100-foot monopole and the benefits to Greatwood to allow the pole installation. Director McCann asked Mr. Rusk to request a picture of a 100-foot monopole that T-Mobile proposes to install. Director Stone suggested that any agreement with T-Mobile include a requirement for T-Mobile to install a wire at the bottom of the monopole for the Disaster Preparedness Committee's radio transmitter to broadcast in emergency situations. The Board then discussed T-

Mobile's proposal for the lease, which includes an initial annual rental fee of \$10,000. The Board discussed the possibility of T-Mobile increasing the rental fee.

After review and discussion, the Board concurred to approve the site plan and to direct Mr. Rusk to (1) provide the site plan to T-Mobile, (2) request a picture of a 100-foot monopole, and (3) discuss the radio transmitter wire and rental fee with the T-Mobile representative. The Board also concurred that the HOA should be notified of the proposal.

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

Director McCann reported on recent elections for the Executive Committee of the Fort Bend Flood Management Association. He said he was re-elected as Treasurer for another one-year term.

Discussion then ensued regarding the various levee conferences and the quality of information presented at such conferences.

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

There were no additional reports.

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




Secretary, Board of Directors

ACTION LIST

1. The attorney will work with the District's consultants to prepare the annual report.
2. The engineer will meet with the TCEQ reviewer once the District's bond application is assigned.
3. The engineer will provide the site plan to T-Mobile, request a picture of a 100-foot monopole, and discuss the radio transmitter wire and rental fee with the T-Mobile representative.

LIST OF ATTACHMENTS TO MINUTES

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