

MINUTES
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 11

April 26, 2011

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 April, 2011, 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, thus constituting a quorum.

Also present at the meeting were Bob Grant, 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 March 22, 2011, regular meeting, which were provided in advance of the meeting. Following review and discussion, Director Jameson moved to approve the minutes as submitted. Director Stone 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. Following review and discussion, Director Stone moved to approve the bookkeeper's report and payment of the bills. Director Jameson seconded the motion, which passed unanimously.

ARBITRAGE REBATE REPORT FOR SERIES 1998 BONDS

Ms. Humphries presented the final arbitrage rebate study for the District's \$9,265,000 Unlimited Tax Levee Improvement Refunding Bonds, Series 1998 ("Series 1998 Refunding Bonds") from OmniCap Group LLC and reported that there is no payment due to the Internal Revenue Service. Following review and discussion, Director Jameson made a motion to accept the arbitrage rebate study by OmniCap Group LLC for the Series 1998 Refunding Bonds and direct that it be filed appropriately and retained in the District's official records. Director Stone seconded the motion, which carried unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Ordeneaux distributed and reviewed the tax assessor/collector's report, a copy of which is attached. He stated that the 2011 preliminary value data was just released by the Fort Bend Central Appraisal District. Discussion ensued regarding the information considered in the valuation process. 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 the Storm Water Management Plan Committee meeting held on April 18, 2011, noting that a summary of the meeting discussions was previously forwarded to all of the Greatwood Directors.

OPERATION OF DISTRICT FACILITIES

Director McCann asked about the effects of fertilization without rain. Mr. Perry stated that the semi-annual levee fertilization was delayed until April due to the lack of rain, but needed to be done before May. He added that Pat Naff of CDC Unlimited, LLC plans to attend the District's June meeting to discuss fertilization.

Mr. Perry then 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 McCann, Mr. Perry said he has not previously separated SWWC's operation and maintenance expenses associated with storm water management. Mr. Perry said he will work with Ms. Garcia to separately identify and track these expenses for annual Storm Water Management Plan reporting. Ms. Humphries said that Storm Water Solutions, LP should be requesting such data for the annual reports. Discussion then ensued regarding the current drought conditions and voluntary water restrictions implemented for the community by the Greatwood Municipal Utility Districts. After review and discussion, Director Stone moved to approve the operator's report. Director Jameson seconded the motion, which passed unanimously.

ENGINEERING MATTERS AND PROPOSAL FROM T-MOBILE FOR INSTALLATION OF ANTENNA

Mr. Rusk distributed and reviewed the engineer's report, a copy of which is attached. He updated the Board on the plans for repair of shoreline retaining wall erosion around the large detention lake, noting the plans are almost complete. Mr. Rusk recommended scheduling a special workshop meeting to discuss the plans, including easement acquisition and construction timing. After discussion, the Board concurred to schedule the special workshop meeting for May 9, 2011, at 2:00 p.m. at the in-District meeting place recently established at the new offices of Professional Project Management Services. Director Jameson presented correspondence from a representative of the Greatwood Community Association ("HOA") regarding water taken by the HOA from the two smaller detention lakes in front of Greatwood that are filled by the Greatwood Golf Club ("Golf Club"). Discussion ensued regarding the District's ownership of the large detention lake. Mr. Rusk then presented and reviewed a proposal from Berg Oliver Associates, Inc. in the amount of \$5,900 to review the District's U.S. Army Corps of Engineers ("USACE") permit to determine the necessary actions for compliance with the permit during repair of the shoreline retaining wall in the areas around the wetland plantings.

Mr. Rusk said he had no update regarding the certification of the perimeter levee by the Federal Emergency Management Agency.

Mr. Rusk noted that LJA previously completed the preliminary inspection of the District's pump station and structures, levees, and ditches, based on the USACE Rehabilitation and Inspection Program ("RIP") standards, and that the inspection report was previously presented to the Board. Ms. Humphries distributed copies of the Perimeter Levee Operation and Maintenance Agreement ("Agreement") among the "GreatRiver" perimeter levee participants. Director McCann noted that the Agreement does not contemplate the use of RIP standards for levee maintenance. He said he recommends that the Agreement be amended to require maintenance of the "GreatRiver" perimeter levee based on RIP standards, as required for the "SugarStone" perimeter levee. Director Stone suggested that the "GreatRiver" group wait until an official decision is made regarding required maintenance of redundant levees before considering any necessary revisions to the Agreement related to those levees. Ms. Humphries said that ABHR's office is the only common meeting place of the "GreatRiver" perimeter levee participants for the purpose of scheduling a joint meeting to consider these issues. Director Jameson said the Agreement provides that any party has the right to inspect another party's levee system. He said the process for conducting such inspections should be formalized by the participants. In response to a question from Ms. Humphries, Mr. Perry said that SWWC is currently inspecting the Ransom Road connector segment of the "GreatRiver" perimeter levee for Fort Bend County Levee Improvement District No. 6 ("LID 6"). Mr. Perry said SWWC presents maintenance and repair items to LID 6, which coordinates with Fort Bend County (the

"County") for payment since the County maintains Ransom Road on top of the connector segment. After review and discussion, the Board concurred to consider possible dates for a joint meeting with the other "GreatRiver" perimeter levee participants. Director McCann asked Ms. Humphries to prepare a proposed amendment to the Agreement, based on today's discussions, for consideration at the joint meeting.

Mr. Rusk reported that the District's bond application no. 6 remains under review by the Texas Commission on Environmental Quality ("TCEQ"). He said that the TCEQ reviewer is scheduled to conduct an on-site inspection on May 9, 2011. Ms. Humphries said the Board can consider authorizing preparation of the Preliminary Official Statement and Notice of Sale.

Mr. Rusk updated the Board on the status of the proposal from T-Mobile to lease a 30' x 40' area of District property at pump station no. 1 for the construction of a 100' monopole cell tower and a small group of equipment cabinets at the base of the tower. He reviewed his previous e-mail correspondence to the T-Mobile representative, John Bebout, as indicated in the engineer's report, and said additional attempts to contact Mr. Bebout since last month's meeting were unsuccessful. Mr. Rusk said he would continue efforts to make contact with Mr. Bebout and coordinate with ABHR on the preparation of a lease agreement between the District and T-Mobile.

After review and discussion, Director Stone moved to approve the engineer's report, approve the proposal from Berg Oliver Associates, Inc., based on the engineer's recommendation, and authorize preparation of the Preliminary Official Statement and Notice of Sale for bond issue no. 6. Director Jameson seconded the motion, which passed unanimously.

DISASTER PREPAREDNESS COMMITTEE MATTERS

Director Stone reported that the Disaster Preparedness Committee has not met. He said the Committee has scheduled an emergency drill to be held on or near May 14, 2011.

COMMUNITY PROJECTS COMMITTEE MATTERS AND POSSIBLE PARK IMPROVEMENTS

Director Jameson reported on discussions at the Community Projects Committee meeting held on April 7, 2011, noting that a summary of the meeting was previously distributed to all of the Greatwood Directors. He said the next committee meeting is scheduled for May 5, 2011, for the Committee to consider preparing a survey to send to Greatwood residents to determine possible additional parks or recreational facilities needed in the community.

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

Director McCann reported on Fort Bend Flood Management Association ("FBFMA") matters, noting that Director Stone will attend the next meeting on his behalf. Director McCann then reported on the FBFMA's upcoming 2011 Flood Risk Reduction Symposium scheduled for June 3, 2011.

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

The Board considered possible dates for the joint meeting of the "GreatRiver" perimeter levee participants. After consideration, the Board directed ABHR to notify the other participants of the Board's proposal to schedule a joint meeting on either May 25, 2011, or June 2, 2011, at 2:00 p.m. at ABHR's offices. The Board added that the engineers and operators for the participating districts also should attend.

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





ASST. Secretary, Board of Directors

ACTION LIST

1. The operator will work with the bookkeeper to separately identify and track operation and maintenance expenses associated with storm water management.
2. The attorney will prepare a proposed amendment to the Agreement for consideration at the joint perimeter levee meeting.
3. The engineer will continue efforts to make contact with T-Mobile and coordinate with the attorney on the preparation of a lease agreement.
4. The attorney will schedule a joint meeting of the "GreatRiver" perimeter levee participants as instructed.

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