

MINUTES  
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 11

June 28, 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 28th day of June, 2011, inside the boundaries of the District, at Professional Project Management Services, 19875 Southwest Freeway, Suite 270, 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 Ben Rosenberg of Storm Water Solutions, LP; Erin Garcia of Myrtle Cruz, Inc.; Greg Ordeneaux of Tax Tech, Inc.; Michael Rusk of LJA Engineering & Surveying, Inc. ("LJA"); Mike Thelen of SWWC Services, Inc. ("SWWC"); and Lynne B. Humphries and Justine M. Cherne of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the May 24, 2011, regular meeting and the May 25, 2011, special meeting, which were provided in advance of the meeting. Ms. Humphries said the minutes of the May 24, 2011, regular meeting were revised to reflect the correct meeting place and that Director Jameson was absent. Director McCann noted revisions to the special meeting minutes to add action items. Following review and discussion, Director Stone moved to approve the minutes with the noted revisions. Director McCann seconded the motion, which was approved by unanimous vote.

COMMENTS AND QUESTIONS FROM THE PUBLIC

There were no public comments.

ENROLL IN GOVERNMENTAL PROGRAM OF RELIANT ENERGY FOR ELECTRICITY SERVICE

The Board discussed the bills from Reliant Energy ("Reliant") which reflect pass-through charges at pump station no. 1 that are higher than the pass-through charges at pump station no. 2. Following discussion, Ms. Garcia said that she will discuss the discrepancy with Reliant.

Ms. Garcia said she verified that the District became enrolled in Reliant's GLO Program on July 1, 2009, and will remain in the program until the District requests termination of the contract. She reviewed the electricity rates and stated that the rates change annually.

#### FINANCIAL AND BOOKKEEPING MATTERS

Ms. Garcia distributed and reviewed the bookkeeper's report, including the 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 McCann seconded the motion, which passed unanimously.

Discussion ensued regarding whether additional funding was needed for the Greatwood Community Association's ("HOA") landscaping project to prevent unauthorized access to the levees. Following discussion, the Board requested that an item be included on the agenda for the July 19, 2011, meeting of the Greatwood Presidents to discuss the HOA's landscaping project.

#### TAX ASSESSMENT AND COLLECTION MATTERS AND AUTHORIZATION FOR DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTION OF DELINQUENT TAXES

Mr. Ordeneaux distributed and reviewed the tax assessor/collector's report, a copy of which is attached. He reported that the District's 2010 taxes were 98.48% collected as of May 31, 2011. Mr. Ordeneaux said the District's 2010 delinquent tax accounts as of July 1, 2011, will be turned over to the delinquent tax attorney at the end of the month to pursue collection. Mr. Ordeneaux next listed the nominees for water district candidates for the Fort Bend Central Appraisal District's Board of Directors election. Following review and discussion, Director Stone moved to approve the tax assessor/collector's report and authorize the delinquent tax attorney to proceed with collection of delinquent taxes. Director Jameson seconded the motion, which passed by unanimous vote.

#### PHASE II MS4 STORMWATER MANAGEMENT PLAN IMPLEMENTATION

Mr. Rosenberg distributed and reviewed a report on implementation of Greatwood's Storm Water Management Plan ("SWMP"), a copy of which is attached. He reported on new chapters for Greatwood's Storm Water Guidance Manual titled Public Education and Outreach on Storm Water Impacts and Public Involvement and Participation. He said the SWMP Committee recommends approval of these new chapters to the Storm Water Guidance Manual. After review and discussion, Director Jameson moved to approve the new chapters for the Storm Water Guidance Manual,

based on the Committee's recommendation. Director Stone seconded the motion, which passed unanimously.

Director McCann reported on efforts by the National Association of Flood & Stormwater Management Agencies related to regulation of water quality standards by the United States Environmental Protection Agency ("EPA") within states. Mr. Rosenberg reported that he and Adam Frey are attending the annual Region 6 EPA MS4 Operators Conference next week and will report back to the Board on any updates to the draft MS4 permit and any upcoming rules and regulations.

Discussion ensued regarding a diesel fuel spill which occurred on U.S. Highway 59 at Grand Parkway and procedures to ensure all appropriate notifications and report filings are performed during and after accidental hazardous spills that may find their way to District drainage facilities. Following discussion, the Board requested that an item be included on the agendas for the upcoming meetings of the Disaster Preparedness and Storm Water Committees to discuss the notification and reporting protocols for accidental hazardous spills that may find their way to District drainage facilities.

#### OPERATION OF DISTRICT FACILITIES

Mr. Thelen 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. He stated that although the operator's report reflects that cracking of the levee top needs attention, he recommended that no action be taken at this time due to the current drought conditions. Director McCann noted that three missing mile marker signs need to be replaced. After review and discussion, Director Jameson moved to approve the operator's report. Director Stone 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 were submitted to the appropriate agencies for review. The Board authorized Mr. Rusk to directly contact representatives of the Greatwood Golf Club, the HOA, and the retirement home to acquire the temporary construction access rights that the District needs for the project and requested that advertising of the project be delayed until the access rights have been acquired.

Mr. Rusk reported that the District's bond application no. 6 remains under review by the Texas Commission on Environmental Quality ("TCEQ"). He reported on

his discussions with the TCEQ bond application reviewer. Ms. Humphries reviewed the following proposed schedule for the issuance of the District's Series 2011 Bonds: 1) approval of the Preliminary Official Statement at the July regular meeting of the Board; 2) authorization of the sale of the bonds at the August regular meeting of the Board; and 3) award of a contract for repair of shoreline retaining wall erosion around the large detention lake at the September regular meeting of the Board.

Mr. Rusk said there is no update 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. Director Jameson seconded the motion, which passed unanimously.

#### DISASTER PREPAREDNESS COMMITTEE MATTERS

Director Stone reported on discussions at the previous Disaster Preparedness Committee meeting, noting that a summary was previously distributed to the Directors. He reported that the Committee was informed of its new assignment to work with the HOA to develop plans for future drought conditions. He said the Committee plans to consider possible revisions to the Greatwood MUDs' Drought Contingency Plans at its next meeting. Director Stone said the Committee determined to order six smaller signs directing residents to the website for installation at all access points to Greatwood in future emergency situations. He added that the Committee determined that an additional static message board was not necessary at this time. He said the Committee decided to review its Emergency Preparedness Plan at next month's meeting instead of conducting an emergency drill since many of the exercises were conducted during the recent drought conditions.

#### COMMUNITY PROJECTS COMMITTEE MATTERS AND POSSIBLE PARK IMPROVEMENTS

Director Jameson reported on discussions at the Community Projects Committee meeting held on June 21, 2011, to finalize the online community survey to determine the types of parks and recreational facilities wanted by the community, if any. He additionally discussed the willingness of The Terramark Companies to convey property for such facilities. He presented and reviewed a copy of the online community survey and said following today's meeting, the survey will go live on the Greatwood Districts' website for two months along with pictures representing examples of the optional park

facilities included in the survey. Director Jameson said Off Cinco purchased online software provided by Survey Monkey to conduct the online survey at a cost of \$24.99 per month while the survey is open, and that such cost would be included in Off Cinco's invoice to the Master District. He recommended that the District pay the entire cost to the Master District since the District is the entity which would do parks if approved by the public. Director Jameson then reviewed language recommended by the Committee for the static message boards and for additional signs to be ordered by SWWC for posting at all entrances into Greatwood to inform residents of the survey. Discussion ensued regarding the proposed locations of the signs. Ms. Humphries reported that she is communicating with the HOA to explain that deed restrictions are not applicable to any of the Districts while carrying out governmental duties. She stated that, as a courtesy, the signs should not be posted on property owned by the HOA and should be placed in public rights-of-way. After review and discussion, the Board concurred with the Committee's recommendations for conducting the survey and ordering the related signs, and authorized Director Stone to discuss the proposed locations of the signs with Fort Bend County Commissioner Morrison and Mark Grant with the County Road and Bridge Department.

FORT BEND FLOOD MANAGEMENT ASSOCIATION MATTERS/ACTIONS, FEDERAL FLOOD INSURANCE LEGISLATION, AND ATTENDANCE AT LEVEE CONFERENCES OR ASSOCIATION OF WATER BOARD DIRECTORS CONFERENCES

The Board discussed Fort Bend Flood Management Association ("FBFMA") matters and the FBFMA's 2011 Flood Risk Reduction Symposium that was held on June 3, 2011. Discussion ensued regarding the functions and purpose of the FBFMA to educate its members in an efficient and cost-effective manner. The Board reiterated its displeasure with the current focus of the FBFMA and the possibility of discontinuing future participation if the focus does not change. The Board then reviewed a letter from Fort Bend County Levee Improvement District No. 2 ("LID 2") requesting Fort Bend County levee stakeholders to consider cost sharing the expense for a lobbyist hired by LID 2 to assist in efforts to ensure that any extension of the National Flood Insurance Program does not adversely affect the levee districts or the residents and businesses they protect. After review and discussion, the Board concurred that it would not participate in the expense for the lobbyist unless the lobbyist was engaged by the FBFMA.

Director McCann reported on a survey received from the Federal Emergency Management Agency ("FEMA"). Following discussion, the Board concurred that Director McCann will coordinate with Mr. Rusk to respond to the survey.

The Board next discussed the meeting of the "GreatRiver" perimeter levee system participants that was held on May 25, 2011, to discuss matters related to the "GreatRiver" perimeter levee system, including plans for ongoing maintenance. Ms.

Humphries distributed and reviewed a draft term sheet reflecting the two options for perimeter levee maintenance, a copy of which was provided in advance of today's meeting for review. Discussion ensued regarding the differences between the concept for oversight and management of perimeter levee maintenance, and concerns regarding oversight and allocation of costs for repairs. After review and discussion, the Board requested that Ms. Humphries revise the term sheet as discussed and distribute it to the participants of the "GreatRiver" perimeter levee system. Directors McCann and Stone requested to be notified when an item regarding the term sheet for perimeter levee maintenance is included on the agenda of a meeting of the Boards of Fort Bend County Municipal Utility Districts Nos. 116 and 121 ("MUDs 116 and 121") and Fort Bend County Levee Improvement Districts Nos. 6 and 10 ("LIDs 6 and 10") so that they can attend to provide information related to the development of the perimeter levee.

The Board discussed reports on the recent Association of Water Board Directors ("AWBD") summer conference in Fort Worth. The Board next considered authorizing attendance at the AWBD winter conference in Dallas. Upon a motion made by Director Jameson and seconded by Director Stone, the Board voted unanimously to authorize any interested Directors to attend the winter conference.

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

Director McCann reported on discussions at the previous Presidents' meeting, noting that a summary previously was distributed to all Greatwood Directors.

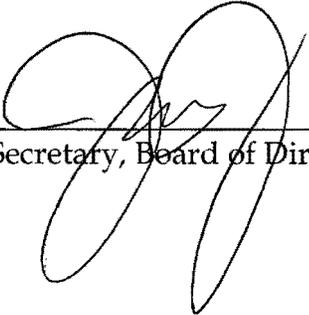
RESOLUTION NOMINATING CANDIDATE FOR BOARD OF DIRECTOR ELECTION FOR FORT BEND CENTRAL APPRAISAL DISTRICT

The Board considered nominating a water district candidate for the Fort Bend Central Appraisal District's Board of Directors election. After discussion, the Board concurred that no additional water district candidate nominations were necessary.

REPORT REGARDING LEGISLATIVE MATTERS

Ms. Humphries distributed and reviewed a report prepared by ABHR regarding legislative matters pertaining to the 82<sup>nd</sup> Regular Session of the Texas Legislature, which recently concluded. A copy of the report is attached.

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

  
Secretary, Board of Directors



## ACTION LIST

1. The bookkeeper will discuss discrepancies in pass-through charges with Reliant.
2. The attorney will add an item on the agenda for the July 19, 2011, meeting of the Greatwood Presidents to discuss the HOA's landscaping project.
3. The delinquent tax attorney will proceed with collection of delinquent taxes.
4. The storm water management consultant will attend the annual Region 6 EPA MS4 Operators conference and report back to the Board on updates to the draft MS4 permit and any upcoming rules and regulations.
5. The attorney will add an item on the agendas for the upcoming meetings of the Disaster Preparedness and Storm Water Committees to discuss the notification and reporting protocols for accidental hazardous spills.
6. The operator will replace three missing mile marker signs.
7. The engineer will directly contact representatives of the Greatwood Golf Club, the HOA, and the retirement home to acquire the temporary construction access rights that the District needs for repair of shoreline retaining wall erosion around the large detention lake.
8. The proposed schedule for the issuance of the District's Series 2011 Bonds: 1) approval of the Preliminary Official Statement at the July regular meeting of the Board; 2) authorization of the sale of the bonds at the August regular meeting of the Board; and 3) award of a contract for repair of shoreline retaining wall erosion around the large detention lake at the September regular meeting of the Board.
9. Director Stone will discuss the proposed locations of the park survey notification signs with Fort Bend County Commissioner Morrison and Mark Grant.
10. Director McCann will coordinate with the engineer to respond to the FEMA survey.
11. The attorney will revise the draft term sheet reflecting options for perimeter levee maintenance as discussed and distribute it to the participants of the "GreatRiver" perimeter levee system.
12. The attorney will notify Directors McCann and Stone when an item regarding the term sheet for perimeter levee maintenance is included on the agenda of a meeting of the Boards of MUDs 116 and 121 and LIDs 6 and 10 so that they can attend to provide information related to the development of the perimeter levee.

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