

MINUTES
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 11

November 29, 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 29th day of November, 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 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 Angela Lutz and Kristen Hogan of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the October 25, 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

Mr. Grant reported that Fort Bend County's hazardous recycling program is ending as of January 1, 2012, due to a lack of funding.

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. Ms. Garcia reviewed a summary of disbursements from proceeds from the District's \$3,230,000 Unlimited Tax Levee Improvement Bonds, Series 2011 (the "Series 2011 Bonds"), including the transfer of \$2,061,400 out of the escrow account for the Middle Bayou detention lake erosion protection improvements pursuant to the Texas Commission on Environmental Quality's ("TCEQ") approval of the District's application for release of funds from escrow for such project. 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.

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 Stone moved to approve the tax assessor/collector's report. Director Jameson seconded the motion, which passed by unanimous vote.

RESOLUTION VOTING FOR DIRECTOR FOR BOARD OF DIRECTOR ELECTION FOR FORT BEND CENTRAL APPRAISAL DISTRICT

The Board considered casting the District's 15 votes for the Fort Bend Central Appraisal District Board of Directors election and reviewed a District ballot reflecting the candidates. After review and discussion, Director Jameson moved to adopt a Resolution Voting for Director for Board of Director Election for Fort Bend Central Appraisal District to cast the District's 15 votes for Kraig Warren and direct that the Resolution be filed appropriately and retained in the District's official records. Director Stone seconded the motion, which passed unanimously. Mr. Ordeneaux noted that all water district votes will be allocated to the candidate who receives the most water district votes.

OPERATION OF DISTRICT FACILITIES

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 the Board, Mr. Perry reported on an incident of 4-wheeler activity on the levee. Mr. Perry then discussed a frequently parked car at the levee access point at U.S. Highway 59. He said he informed the vehicle occupants that their car may not be parked at such location. Mr. Perry reported that he has not been contacted by the Greatwood Community Association ("HOA") regarding installation of landscaping in one of the open cul-de-sac areas owned by the HOA using funds from the District to prevent unauthorized access to the main levee. 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 the plans for Middle Bayou detention lake erosion protection and improvements. Mr. Rusk noted the Board's decision at last month's meeting to authorize award of the contract to Austin Filter Systems, Inc. in the amount

of \$1,640,455, effective upon receipt of TCEQ approval for release of funds from escrow for the project. He reported that the TCEQ approved the District's application by letter dated October 31, 2011, as noted by the bookkeeper. Mr. Rusk reported on a pre-construction meeting with the City of Sugar Land (the "City") that was held prior to today's meeting. He presented the construction contract documents with Austin Filter Systems, Inc. for the Board's execution, noting the initial contract amount of \$1,640,455, which includes the alternate bid item. He said the contractor requested that a notice to proceed not be issued until the first week in January due to the Christmas holidays. In response to questions, Mr. Rusk said the contract time is 140 days. After discussion, the Board concurred the contractor should mobilize prior to the holidays, but the contract time will not begin until January 3rd.

Mr. Rusk discussed design of the emergency operations building to be funded from proceeds from the Series 2011 Bonds. He presented proposals from Architecture Studio 88 LLC and Jim Lawless for architectural design of the building. After review and discussion, the Board concurred to select Jim Lawless as the architect for the project since he previously performed architecture work for improvements to the District's pump stations. Mr. Rusk said ABHR reviewed Mr. Lawless' proposed contract and provided comments and he is waiting for a revised contract from Mr. Lawless. After discussion, the Board directed Mr. Rusk to ask Mr. Lawless to attend next month's meeting to present the revised contract and discuss design of the emergency operations building. Director McCann added that the District needs an agreement with SWWC providing that SWWC will use the District's emergency operations building as a staging area since it will be built to withstand hurricane winds.

After review and discussion, Director Jameson moved to approve the engineer's report and to engage Jim Lawless for architectural design of the emergency operations building upon approval of a revised contract at next month's meeting. Director Stone seconded the motion, which passed unanimously.

PHASE II MS4 STORM WATER MANAGEMENT PLAN IMPLEMENTATION

There was no discussion on this item.

DISASTER PREPAREDNESS COMMITTEE MATTERS

Director Stone said the Disaster Preparedness Committee has not met. He said the Committee does not have another meeting scheduled since its assignments are complete and will meet only as needed for emergency situations.

Director McCann reported on City emergency planning efforts and meetings with in-City levee districts to coordinate emergency planning. Director Stone reported on his upcoming attendance at such City meetings on behalf of Fort Bend County Levee Improvement District No. 2 ("LID 2").

COMMUNITY PROJECTS COMMITTEE MATTERS

Director Jameson reported on a recent presentation he gave at the quarterly meeting of the HOA neighborhood representatives on November 8th regarding the Community Projects Committee survey results and the process for transferring such Committee's momentum to members of the community. He reported on questioning received from former HOA Board member John Bowen regarding the validity of the survey and other park issues. Director Jameson said he was disappointed that none of the HOA Board members spoke in favor of the Committee's efforts even though it was made clear at various Committee meetings that Committee efforts would be discontinued if the HOA was opposed. He said that no negative comments were presented at Committee meetings by Bob Hauck as the HOA's Committee member. The Board noted discussions about the matter at the previous Greatwood Presidents' meeting, as reflected in the notes from such meeting that were forwarded to all of the Greatwood Directors prior to today's meeting.

Ms. Hogan reported that the other Greatwood Districts authorized Lynne Humphries to schedule a meeting with the original Committee members and proposed members of the new community Committee, with the legal fees to be paid by the Master District. Director Jameson suggested preparing a letter to the new Committee providing information about efforts to date, instead of scheduling a meeting. After discussion, the Board concurred it has no objection to the other original Committee members scheduling a meeting to transfer momentum to the new Committee, but that the District will not participate or send a representative to the meeting. Discussion ensued regarding the Board's position on this matter. After discussion, the Board concurred there is no need for additional Board discussion regarding parks and recreational facilities and that ABHR should remove this item from the District's agenda.

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

Director McCann reported on a recent article regarding the pending National Flood Insurance Program ("NFIP") legislation and a letter sent by various Senators to members of the Senate Banking Committee urging them to remove a provision in the Senate legislation that would require federal flood insurance in areas located behind levees, regardless of risk and existing flood protection. Ms. Lutz reported on weekly conference calls with the lobbyist hired by LID 2 to assist in efforts to ensure that any extension of the NFIP does not adversely affect the levee districts or the residents and businesses they protect. Director McCann reported on discussions at Fort Bend Flood Management Association ("FBFMA") meetings regarding the District and other participants that chose not to cost share the expense for the lobbyist hired by LID 2.

Discussion ensued regarding LID 2's lack of initial coordination with Fort Bend County and other levee districts prior to engaging a lobbyist. The Board concurred it would consider participating in lobbyist expenses in the future if the lobbyist is engaged by the FBFMA or upon receipt of instructions from the Fort Bend County Judge.

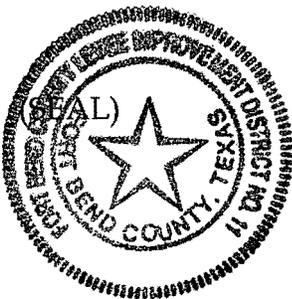
The Board discussed the need to schedule an additional meeting with the "GreatRiver" perimeter levee participants to continue discussing the terms for an agreement for operation and maintenance of the perimeter levee.

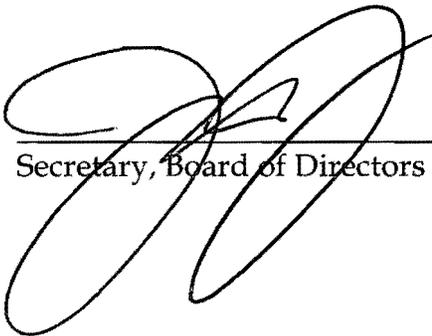
Director McCann reported on other FBFMA matters, noting that the President of LID 2 continues to encourage attendance at various levee conferences. He discussed the dates and locations of upcoming conferences. Discussion then ensued regarding the focus of the FBFMA and topics for future participant meetings.

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 then discussed the District's December meeting date and considered rescheduling the meeting due to the Christmas holiday. The Board concurred to reschedule the December meeting for December 20, 2011, at the regular time and location.

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




Secretary, Board of Directors

ACTION LIST

1. The engineer will instruct Austin Filter Systems, Inc. to mobilize before the holidays, with the contract time not to begin until January 3rd.
2. The engineer will ask Jim Lawless to attend next month's meeting to present the revised contract for architectural services and discuss design of the emergency operations building.
3. The attorney will remove the Community Projects Committee item from the District's agenda.

LIST OF ATTACHMENTS TO MINUTES

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