

MINUTES  
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 11

June 4, 2013

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 4th day of June, 2013, inside the boundaries of the District, at Mike Stone Associates, Inc., 19875 Southwest Freeway, Suite 270, Sugar Land, Texas, and the roll was called of the members of the Board:

Justin Ring	President
Jared Jameson	Vice President/ Assistant Secretary
Stuart Rimes	Secretary/ Assistant Vice President

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

Also present at the meeting were Pat Hughes of the City of Sugar Land; Clark Carruth and Jeff Perry of Levee Management Services, LLC ("LMS"); Erin Garcia of Myrtle Cruz, Inc.; Greg Ordeneaux of Tax Tech, Inc.; Michael Rusk of LJA Engineering & Surveying, Inc. ("LJA"); Trey Sawyer of CDC Unlimited, LLC ("CDC"); Bob Grant, resident of the District; and Lynne B. Humphries and Nikole Cales of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the April 2, 2013, regular meeting, which was provided in advance of the meeting. Following review and discussion, Director Rimes moved to approve the minutes as submitted. Director Ring seconded the motion, which was approved by unanimous vote.

COMMENTS AND QUESTIONS FROM THE PUBLIC

There were no members of the public who wished to address the Board.

PRESENTATION OF THE CITY OF SUGAR LAND FLOOD PLAN

Mr. Hughes made a presentation regarding the City of Sugar Land's Flood Plan, a copy of which is attached. He stated the packet includes inundation maps, contact information and steps to be followed in the event of an emergency. Mr. Hughes noted the City will be holding various classes and will continue to update the District accordingly. Mr. Hughes stated the City is currently creating a list of contacts for emergencies which will include District engineer and operator.

## TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Ordeneaux distributed and reviewed the tax assessor/collector's report, a copy of which is attached. He reported the District's 2012 taxes are 99% collected. After review and discussion, Director Ring moved to approve the tax assessor/collector's report and payment of the tax bills. Director Rimes seconded the motion, which passed unanimously.

## AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTION OF TAXES

Mr. Ordeneaux requested the Board authorize the District's delinquent tax attorney to pursue collection of the District's 2012 delinquent tax accounts as of July 1, 2013. After review and discussion, Director Ring moved to authorize the District's delinquent tax attorney to pursue collection of the District's 2012 delinquent tax accounts as of July 1, 2013. Director Rimes seconded the motion, which passed by unanimous vote.

## OPERATION OF DISTRICT FACILITIES

Mr. Carruth distributed and reviewed the monthly operator's report, a copy of which is attached. He reviewed and discussed work completed by LMS during the last month as reflected in his report.

Mr. Carruth stated LMS replaced the "no motorized vehicle" sign at the pump station. He stated a load test is scheduled and will be performed during the next month. Mr. Carruth stated the District's outfall structures were cleaned and desilted. Mr. Carruth reported LMS removed a light pole in the pump station at Center Point's request. He stated a broken pump reset button was replaced. Mr. Carruth reported stated LMS repaired the channel dam due to heavy rains. Mr. Carruth reported on the removal of trash and debris on the levee during inspection rounds.

Following review and discussion, Director Rimes moved to approve the operator's report as submitted. Director Ring seconded the motion, which was approved by unanimous vote.

## CRITICAL LOAD SPREADSHEET

Ms. Humphries reviewed the District's Critical Load Spreadsheet that provides a list of the District's facilities and noted the spreadsheet was sent to the necessary consultants for review and approval. She stated the District's engineer, bookkeeper and operator confirmed no changes were necessary to the Critical Load Spreadsheet at this time. After review and discussion, Director Ring moved to approve the Critical Load List and direct that it be filed appropriately and retained in the District's official records. Director Rimes seconded the motion, which carried by unanimous vote.

## LEVEE AND DITCH MOWING

Mr. Sawyer presented a proposal for the fertilization and over-seeding of the District's levees and ditches, a copy of which is attached.

## ENGINEERING MATTERS

Mr. Rusk distributed and reviewed the engineer's report, a copy of which is attached.

Mr. Rusk stated as part of the construction plan review process with the City of Sugar Land, LJA was addressing the City's comments regarding replatting of the area for the proposed emergency building.

Mr. Rusk updated the Board regarding the Fort Bend County emergency action plan required by the County. He stated LJA submitted the plan to the County for review and comment.

Mr. Rusk reported that plantings at the Middle Bayou detention lake wetland shelves by Berg Oliver will begin when the water level is higher and the climate is favorable for planting, which should be completed within the next few weeks.

Ms. Humphries stated a representative from the City of Sugar Land will attend next month's meeting to discuss re-use water opportunities. Ms. Humphries reported the City is interested in discussing water rights on the lake and the future ability to use the lake as a reservoir for re-use water storage for irrigation of the golf club and certain boulevards.

After review and discussion, Director Rimes moved to approve the engineer's report. Director Ring seconded the motion, which passed unanimously.

## PHASE II MS4 STORM WATER MANAGEMENT PLAN IMPLEMENTATION

There were no updates to this agenda item.

## EMERGENCY PREPAREDNESS COMMITTEE MATTERS

There were no updates to this agenda item.

## ACCEPT SERIES 2008 ARBITRAGE REBATE REPORT AND ENGAGE COMPANY TO CONDUCT FINAL ARBITRAGE STUDY FOR SERIES 2004 AND 2005 BONDS

Ms. Humphries reviewed the Interim Excess Earnings Report on the Series 2008 Bonds, as prepared by OmniCap Group, LLC. She stated that the report reflects that no arbitrage rebate or yield reduction payment is due to the Internal Revenue Service.

Ms. Humphries requested the Board authorize OmniCap Group, LLC to conduct the final arbitrage rebate study for the District's Series 2004 and 2005 Bonds.

After review and discussion, Director Rimes moved to (1) accept the report and directed that the report be filed appropriately and retained in the District's official records; and (2) authorize OmniCap Group, LLC to conduct the final arbitrage rebate study for the District's Series 2004 and 2005 Bonds. Director Ring seconded the motion which passed unanimously.

#### FORT BEND FLOOD MANAGEMENT ASSOCIATION MATTERS/ACTIONS

There were no updates on this item.

#### 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 presented and discussed a letter to the Board, a copy of which is attached. She stated that Myrtle Cruz, Inc. ("Myrtle Cruz"), has historically not maintained written documentation of time spent on services related to hourly rate work on non-recurring services such as work associated with bond issues, bond anticipation notes and surplus funds applications ("Non-Recurring Services") under the existing services agreement between Myrtle Cruz and the District. She also stated that in the past Myrtle Cruz has billed such services to the District based on time estimates provided by Myrtle Cruz bookkeepers, without corresponding written support. Discussion ensued.

Ms. Garcia also presented and reviewed an Amended and Restated Bookkeeper Services Agreement (the "Amended Agreement"). She stated that the Amended Agreement includes flat fees for the various Non-Recurring Services, which services had been previously billed at an hourly rate, and she reviewed the schedule of flat fees.

Director Ring requested MC add additional information regarding billing hours in the Amended Agreement, requiring MC to request Board pre-approval prior to performing work that exceeds the normal scope of work included in the monthly flat fee and requires MC to bill the District at the hourly billing rate.

After review and discussion, Director Rimes moved to (1) approve the bookkeeper's report; and (2) accept the Amended and Restated Bookkeeper Services Agreement with Myrtle Cruz, Inc., as amended, and direct that it be appropriately filed and maintained in the District's official records. Director Ring seconded the motion, which passed unanimously.

TRAVEL REIMBURSEMENT GUIDELINES AND DIRECTOR EXPENSES FOR ASSOCIATION OF WATER BOARD DIRECTORS SUMMER CONFERENCE

The Board discussed the District's Travel Reimbursement Guidelines and considered Director expenses for the upcoming Association of Water Board Directors summer conference in Corpus Christi, Texas. After review and discussion, Director Rimes moved to establish maximum limits of five director fees of office, three nights lodging, and up to seven meals for any Directors attending the summer conference, subject to the District's Guidelines. Director Ring seconded the motion, which passed unanimously.

ADOPT A 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 ("FBCAD") Board of Directors election. Ms. Humphries stated that Bob Hauck, the Greatwood Home Owners Association President, expressed interest in accepting a nomination as a candidate to the FBCAD after the Presidents' meeting. After review and discussion, Director Ring moved to not nominate a candidate for the FBCAD's Board of Directors election. Director Rimes seconded the motion, which passed unanimously.

REPORTS ON GREATWOOD PRESIDENT'S MEETING AND ACTIVITIES AND FOLLOW UP ON LEVEE AND DRAINAGE FACILITIES AND OTHER DISTRICT AND GREATWOOD REGIONAL MATTERS

Ms. Humphries and Director Ring updated the Board regarding the Presidents' meeting.

The Board discussed the date of the next Board of Directors meeting. The Board concurred to reschedule its July 2, 2013 meeting due to the Fourth of July holiday. The Board concurred to hold its next meeting on July 9, 2013 at 5:00 p.m.

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



  
Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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