

MINUTES
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 11

December 2, 2014

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 2nd day of December, 2014, 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, thus constituting a quorum.

Also present at the meeting were Clark Carruth of Levee Management Services, LLC ("LMS"); Christina Garcia of Myrtle Cruz, Inc.; Greg Ordeneaux of Tax Tech, Inc.; Michael Rusk of LJA Engineering, Inc.; Jim Lawless, architect for the District; Christine Crotwell and Debbie Shelton of First Southwest Company ("FSW"); and Lynne B. Humphries and Nikole Cales of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the November 10, 2014, regular meeting, which were provided in advance of the meeting. Following review and discussion, Director Jameson 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 comments from the public.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Ordeneaux distributed and reviewed the November and December tax assessor/collector's report, a copies of which are attached. He reported the District's 2014 taxes are 5.51% collected. After review and discussion, Director Jameson moved to approve the tax assessor/collector's report and payment of bills. Director Ring seconded the motion, which passed unanimously.

TRAVEL REIMBURSEMENT GUIDELINES AND DIRECTOR EXPENSES FOR ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") WINTER CONFERENCE

Director Ring stated he will only submit per diems for the conference because his expenses will be reimbursed by AWBD. Director Jameson moved to authorize four per diems for Director Ring for the winter AWBD conference. Director Ring seconded the motion, which passed unanimously.

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 Jameson moved to approve the bookkeeper's report and authorize payment of the bills listed therein. Director Ring seconded the motion, which passed unanimously.

Director Ring discussed the money allocated for engineering costs for the emergency response building and the necessary amount required to complete the project including engineering costs. The Board concurred to utilize the full amount of surplus funds, if necessary, to complete the project.

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 reported a fence was damaged and replaced near Greatwood Homeowners' Association ("HOA") property. The Board requested Mr. Carruth coordinate with the HOA regarding ownership and responsibility.

Mr. Carruth discussed megger testing of pump station nos. 1 and 2. He stated the Army Corps of Engineers will require the testing results during its levee inspections. Mr. Carruth stated to perform the megger testing at pump station nos. 1 and 2 will cost \$3,800. Mr. Carruth stated LMS will also begin conduit inspections in anticipation of an upcoming levee inspection. The Board requested LMS prepare a list of potential items that need to be addressed prior to the levee inspection for review next month.

Mr. Carruth updated the Board regarding the pool construction and Right of Entry access granted to Mr. Ducayet, a District resident residing at 9119 Morning Star Drive. He stated LMS is monitoring access on the District's levee and will make any necessary repairs. Mr. Carruth stated the project is not complete, but he will notify the District's bookkeeper of the cost for all repairs to be deducted from Mr. Ducayet's deposit.

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

LEVEE AND DITCH MOWING

There were no updates regarding this item.

ENGINEERING MATTERS

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

Mr. Rusk stated the Notice to Proceed was issued on November 17, 2014 for the emergency response building. He then presented and reviewed an Amended Resolution Authorizing Application to the Texas Commission on Environmental Quality for Use of Surplus Funds ("Amended Resolution") reflecting clarification regarding funds allocated for engineering costs and a revised surplus funds amount.

After review and discussion, Director Jameson moved to (1) approve the engineer's report; and (2) approve the Amended Resolution and direct that it be filed appropriately and retained in the District's official records. Director Ring seconded the motion, which passed unanimously.

EMERGENCY PREPAREDNESS COMMITTEE MATTERS

There were no updates regarding this matter.

COMMUNITY PROJECTS COMMITTEE

Director Rimes entered the meeting.

The Board discussed the Greatwood Districts' Holiday Open House ("Open House") on December 11, 2014 from 5:30 p.m. to 7:30 p.m. at Recreation Center No. 1.

Ms. Humphries presented and reviewed possible options for a master amenities plan within and near Greatwood prepared by KGA/Deforest Design, L.L.C. ("KGA"), copies of which are attached. She stated per the recommendation of KGA, a sports complex to serve a community the size of Greatwood should be approximately 80 acres. She then reviewed two versions of possible improvements to the combined site owned by the HOA and the District. She said the options are not exclusive but show multiple possibilities. Ms. Humphries noted the trails within the sports complex shown in the renderings are 6-foot concrete trails. The Board concurred to present the possible options for a master amenities plan within and near Greatwood to the Community Projects Committee for further consideration.

FORT BEND FLOOD MANAGEMENT ASSOCIATION ("FBFMA")
MATTERS/ACTIONS

Director Jameson reported the FBFMA is asking for additional funds plus increasing the annual membership dues to pay lobbying costs. He stated the FBFMA is requesting \$5,000 now. The Board took no action.

PHASE II MS4 STORM WATER MANAGEMENT PLAN IMPLEMENTATION

There were no updates regarding this matter.

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

Director Jameson stated the Perimeter Levee group meeting will be held on January 21, 2015 at ABHR.

ATTORNEY'S REPORT

AUTHORIZE PREPARATION OF ANNUAL REPORT IN ACCORDANCE WITH
DISTRICT'S CONTINUING DISCLOSURE OF INFORMATION AGREEMENT AND
AS REQUIRED BY SEC RULE 15-c2-12

Ms. Humphries discussed the requirement for the District 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. She requested authorization for ABHR to work with the District's consultants to prepare the continuing disclosure annual report. Following discussion, Director Jameson moved to authorize preparation of the annual report. Director Ring seconded the motion, which passed unanimously.

ORDER ADOPTING PROCEDURES FOR CONTINUING DISCLOSURE
COMPLIANCE

Ms. Humphries stated that, when the District issues bonds, the District enters into a continuing disclosure undertaking for the benefit of the bondholders. She added that the provisions of that undertaking require that the District comply with certain continuing disclosure requirements (the "Requirements") for its bonds. Ms. Humphries explained that the Board of Directors is ultimately responsible for continuing disclosure compliance for its bonds, with assistance by its consultants. She added that, in order to ensure that the District's procedures for continuing disclosure compliance are well documented, ABHR recommends that such procedures be adopted in writing by the Board of Directors. Ms. Humphries reviewed the Order Adopting Procedures for Continuing Disclosure Compliance with the Board of Directors. Following review and

discussion, Director Jameson moved to adopt the Order Adopting Procedures for Continuing Disclosure Compliance and direct that the Order be filed appropriately and retained in the District's official records. Director Ring seconded the motion, which passed by unanimous vote.

REVIEW PROPOSALS FROM FINANCIAL ADVISORS AND AUTHORIZE ENTERING INTO A CONTRACT WITH EITHER FIRST SOUTHWEST COMPANY OR THE GMS GROUP LLC

Ms. Shelton discussed financial advisory services offered by FSW. She then presented and reviewed a proposal from FSW, a copy of which is attached.

Ms. Humphries presented a proposal from the GMS Group, LLC, a copy of which is attached. Directors Jameson and Ring noted Mr. Howell with the GMS Group was not able to attend today but they each indicated they had a chance to discuss services with Mr. Howell.

After review and discussion, Director Rimes moved to select FSW as the District's financial advisor and authorize execution of a financial advisory contract. Director Jameson seconded the motion, which passed unanimously.

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

(SEAL)




Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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