

MINUTES
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 11

January 6, 2015

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 6th day of January, 2015, 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; Debbie Shelton of First Southwest Company ("FSW"); Pat Naff of CDC Unlimited, LLC; Gregory Cox of Sandersen Knox & Co., LLP ("Sandersen"); and Lynne B. Humphries and Nikole Cales of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the December 2, 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 Rimes seconded the motion, which was approved by unanimous vote.

COMMENTS AND QUESTIONS FROM THE PUBLIC

There were no comments from the public.

APPROVE AUDIT FOR FISCAL YEAR ENDED SEPTEMBER 30, 2014

Mr. Cox reviewed a draft audit for the District for the fiscal year ended September 30, 2014, copies of which were provided for review in advance of today's meeting. Mr. Cox then responded to questions from the Board. After review and discussion, Director Jameson moved to approve the audit for the District for the fiscal year ended September 30, 2014, subject to final review, and direct that the finalized audits be filed appropriately and retained in the District's official records. Director Rimes seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Ordeneaux distributed and reviewed the January tax assessor/collector's report, a copy of which is attached. He reported the District's 2014 taxes are 17.37% collected. After review and discussion, Director Jameson moved to approve the tax assessor/collector's report and payment of bills. Director Rimes 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. The Board noted legal and engineering fees were over-budget due to unexpected expenses, but will balance throughout the year. Following review and discussion, Director Jameson moved to approve the bookkeeper's report and authorize payment of the bills listed therein. Director Rimes seconded the motion, which passed unanimously.

ACCEPT ANNUAL DISCLOSURE STATEMENTS FOR INVESTMENT OFFICER AND BOOKKEEPER

Ms. Humphries stated that in accordance with the District's Investment Policy, the District's bookkeeper and the District's Investment Officer, are required to execute disclosure statements that disclose any relationships with banks and brokers who seek to sell investments to the District. She added that the disclosure statements will be filed with the Texas Ethics Commission. Ms. Garcia presented the executed disclosure statements for the Board's consideration. After review and discussion, Director Jameson moved to accept the disclosure statements from the District's bookkeeper and investment officer and direct that it be filed appropriately and retained in the District's official records. Director Rimes seconded the motion, which passed unanimously.

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 updated the Board regarding tunnel conduit inspections in anticipation of an upcoming levee inspection.

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

Mr. Naff updated the Board regarding levee and ditch mowing in the District.

ENGINEERING MATTERS

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

Mr. Rusk updated the Board regarding construction of the emergency response building. He then presented and recommended approval of Pay Application No. 1 to Bass Construction in the amount of \$114,416.10 for the construction of the emergency response building.

Mr. Rusk stated the Riverpoint business plat was approved. He stated the land is not within the District, but will utilize the District's drainage facilities per the agreement with Fort Bend County Municipal Utility District No. 116.

After review and discussion, Director Jameson moved to (1) approve the engineer's report; and (2) approve Pay Application No. 1 to Bass Construction in the amount of \$114,416.10 for the construction of the emergency response building. Director Rimes seconded the motion, which passed unanimously.

EMERGENCY PREPAREDNESS COMMITTEE MATTERS

There were no updates regarding this matter.

COMMUNITY PROJECTS COMMITTEE

Director Jameson updated the Board regarding Community Projects Committee matters. The Board discussed expanding the Community Projects Committee to include three residents from each District and concurred to present possible members at the next Presidents' meeting.

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

Director Jameson reported regarding the FBFMA. The Board discussed FBFMA's request for an additional \$5,000 to pay for lobbying costs in 2014. The Board then discussed the increase in annual membership dues to \$8,000 for 2015. After discussion, the Board concurred to decline renewal of the annual FBFMA membership for 2015 and payment of an additional \$5,000 to pay for lobbying costs in 2014. The Board requested the District's bookkeeper cancel the check written to FBFMA for annual membership renewal.

PHASE II MS4 STORM WATER MANAGEMENT PLAN IMPLEMENTATION

Ms. Humphries reported the SWMP for the District was approved by the Texas Commission on Environmental Quality and the Greatwood Stormwater Management Committee will meet in February to discuss and approve the new SWMP. She stated the SWMP will then be presented to each Board for review and approval.

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

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE

Ms. Humphries reported on the District's compliance activities during the prior calendar year related to bond financings. She stated that no corrective action is required at this time.

CONDUCT ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

The Board reviewed the District's Investment Policy and concurred no changes were necessary at this time. Ms. Humphries then presented a Resolution Regarding Annual Review of Investment Policy for the Board's consideration. After review and discussion, Director Jameson moved to adopt the Resolution Regarding Annual Review of Investment Policy and direct that it be filed appropriately and retained in the District's official records. Director Ring seconded the motion, which passed unanimously.

ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

The Board reviewed a list of authorized Broker/ Dealers provided by the District's bookkeeper. Ms. Humphries reviewed a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/ Dealers with Whom the District May Engagement in Investment Transactions. After review and discussion, Director Jameson moved to adopt Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/ Dealers

with Whom the District May Engagement in Investment Transactions and direct that it be filed appropriately and retained in the District's official records. Director Ring seconded the motion, which passed unanimously.

UPDATE OF DISTRICT INFORMATION KIT

Ms. Humphries presented the updated District Information Kit for the Board's review. After review and discussion, Director Jameson moved to approve the District Information Kit and direct that it be filed appropriately, retained in the District's official records and posted on the District's website. Director Ring seconded the motion, which passed unanimously.

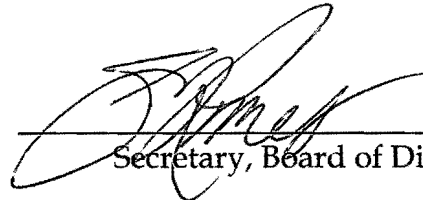
EXPIRATION OF DISTRICT'S INSURANCE POLICIES

Ms. Humphries stated the District's insurance policies with SIG/McDonald & Wessendorff ("SIG") expire April 5, 2015. The Board concurred to request a renewal proposal from SIG for review at the March Board of Directors meeting.

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

(SEAL)




Secretary, Board of Directors

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