

MINUTES  
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 11

September 12, 2016

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 12<sup>th</sup> day of September, 2016, inside the boundaries of the District, at Independent Bank, 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 Rimes, thus constituting a quorum.

Also present at the meeting were Jeff Perry of Levee Management Services, LLC ("LMS"); Christina Garcia of Myrtle Cruz, Inc.; Kelly Jurecek of Tax Tech, Inc.; Michael Rusk of LJA Engineering, Inc.; Greg Cox of Knox Cox & Company, LLP ("KC"); Bob Grant, resident of the District; Jasmine Garcia, resident of Fort Bend County; and Lynne B. Humphries and Nikole Cales of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the August 1, 2016, 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 members of the public who wished to address the Board.

ENGAGE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2016

Mr. Cox presented and reviewed an engagement letter to conduct the District's audit for the fiscal years ending September 30, 2016, September 30, 2017, and September 30, 2018. Discussion ensued regarding the dissolution of Sandersen & Knox and the formation of KC. After review and discussion, Director Jameson moved to engage KC for a three year term to conduct the District's audit commencing in 2016 and ending in 2018. Director Ring seconded the motion, which passed unanimously.

## TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Jurecek distributed and reviewed the June tax assessor/collector's report, a copy of which is attached. She reported the District's 2015 taxes are 99.60% collected.

Ms. Jurecek presented and reviewed a Payment Credit Card Industry Data Security Standard Self-Assessment Questionnaire and Attestation of Compliance ("Questionnaire"). She reminded the Board that this is an annual Questionnaire necessary to the District's acceptance of credit card payments for taxes. She explained that Tax Tech is responsible for the District's compliance with the security standards and noted that the District is in compliance with all applicable standards.

Following review and discussion, Director Jameson moved to (1) approve the tax assessor/collector's report and payment of the tax bills; (2) approve the Questionnaire and direct that it be filed appropriately and retained in the District's official records. Director Ring seconded the motion, which passed unanimously.

## DISCUSS 2016 TAX RATE, SET PUBLIC HEARING DATE AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

Ms. Shelton presented and reviewed a letter and debt service tax rate analysis, recommending the District levy a 2016 debt service tax rate of \$0.165. She reviewed projected maintenance and operations revenue for maintenance and operations tax rate. A copy of the letter is attached. The Board discussed the proposed 2016 tax rate. After review and discussion, Director Ring moved to authorize the tax assessor/collector to publish notice of a public hearing on October 3, 2016, in the *Fort Bend Herald* regarding the Board's adoption of 2016 tax rate of \$0.205 per \$100 of assessed valuation, with \$0.165 allocated for debt service and \$0.04 allocated for operations and maintenance. Director Jameson 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.

Ms. Garcia presented and reviewed a draft of the District's budget for the fiscal year ending September 30, 2017, a copy of which is attached to the bookkeeper's report.

Following review and discussion, Director Ring moved to (1) approve the bookkeeper's report and authorize payment of the bills listed therein; and (2) adopt the District's budget for the fiscal year ending September 30, 2017, as revised. Director Jameson seconded the motion, which passed unanimously.

## LEVEE AND DITCH MOWING AND DRAINAGE CHANNEL CLEANOUT

Director Ring updated the Board regarding mowing in the District. He stated weed-eating along Mr. Kyle's fence was performed. Director Ring said Mr. Naff told him he was unable to see where grass was pushing on Mr. Kyle's fence. Director Ring reported Mr. Kyle is still requesting additional weed eating.

Mr. Perry stated dogs broke out of a fence and chased mowers while they were mowing District property. He stated the dogs' owners were located, the situation was resolved with them and the fence was repaired.

## OPERATION OF DISTRICT FACILITIES

Mr. Perry presented and reviewed the operations report and reviewed and discussed work completed by LMS during the last month. A copy of the report is attached.

Mr. Perry stated rip rap will be installed at outfall no. 2 when weather and Brazos River water levels permit.

Mr. Perry stated leaks in the discharge tunnel and stated 20 joints and 40 lifting holes will be repaired shortly.

Mr. Perry stated the intake pipe in the lake was capped so the golf club can no longer pump water out of the District's detention pond unauthorized. He stated the repair was completely for less than initially projected and costed \$800. Mr. Perry stated LMS still continues to monitor the meter, which shows no water has been taken out of the lake since the capping.

Mr. Perry stated bollards and cables will be installed to prevent unauthorized access as discussed at the last meeting in the amount of \$3,600.

Following review and discussion, Director Jameson moved to approve the operator's report. Director Ring seconded the motion, which passed unanimously.

## ENGINEERING MATTERS

The Board reviewed the engineer's report, a copy of which is attached.

Mr. Rusk stated LJA re-solicited bids for the installation of fencing to prevent unauthorized access to the District's levee. He then presented and reviewed the bids and recommended awarding the contract to Republic Masonry and Fencing in the amount of \$62,529. The Board requested Mr. Rusk present photos of the proposed fencing along with the fencing that is already installed throughout the neighborhood to ensure the new and old fencing are similar.

Mr. Rusk discussed capital improvement projects. He then presented and reviewed a proposed cost summary for a \$3,660,000 bond application, a copy of which is attached to the engineer's report.

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

PHASE II MS4 STORM WATER MANAGEMENT PLAN IMPLEMENTATION

There was no discussion regarding this item.

COMMUNITY PROJECTS COMMITTEE ("CPC")

Directors Jameson updated the Board regarding CPC matters.

DISCUSS LEVEE IMPROVEMENT DISTRICT DIRECTOR CONTINUING EDUCATION REQUIREMENTS AND REVIEW DIRECTOR HOURS

Ms. Humphries reported all directors have met the required director training for 2016.

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

The Board discussed the Presidents' meeting.

FEDERAL FLOOD INSURANCE LEGISLATION, PERIMETER LEVEE MAINTENANCE, AND ATTENDANCE AT LEVEE CONFERENCES

Director Jameson updated the Board regarding Fort Bend Flood Management Association ("FBFMA") matters. He stated the FBFMA requested its members consider contributing additional funds for lobbying. Discussion ensued and the Board concurred not to contribute additional funds to the FBFMA for lobbying at this time.

Ms. Humphries stated Fort Bend County will hold a table top exercise on October 25, 2016, at 8:30 a.m.

ATTORNEY'S REPORT AND ADOPT RESOLUTION EXPRESSING INTENT TO REIMBURSE FOR COSTS OF BOND APPLICATION

Ms. Humphries presented and reviewed a Resolution Expressing Intent to Reimburse for Costs of Bond Application ("Resolution"). After review and discussion, Director Ring moved to adopt the Resolution and direct that it be filed appropriately

and retained in the District's official records. Director Jameson seconded the motion, which passed unanimously.

There were no additional items to report.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER

The Board concurred it was not necessary to convene in executive session.

RECONVENE IN EXECUTIVE SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING PENDING OR CONTEMPLATED LITIGATION, OR SETTLEMENT OFFER

The Board did not convene in executive session regarding this matter.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072, TEXAS GOVERNMENT CODE, TO DELIBERATE THE PURCHASE, EXCHANGE, AND LEASE VALUE OF REAL PROPERTY

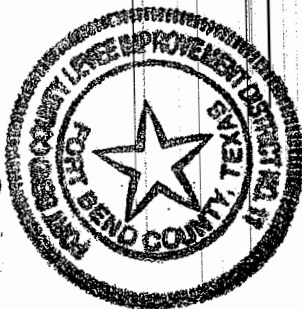
The Board did not convene in executive session regarding this matter.

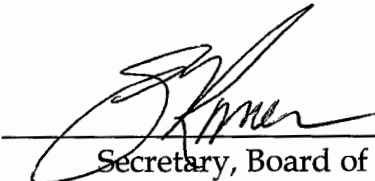
RECONVENE IN EXECUTIVE SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING PENDING OR CONTEMPLATED LITIGATION, OR SETTLEMENT OFFER

The Board did not convene in executive session regarding this matter.

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

(SEAL)



  
Secretary, Board of Directors

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