

MINUTES
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 11

December 13, 2017

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 13th day of December, 2017, 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 Jameson, thus constituting a quorum.

Also present at the meeting were Jeff Perry of Levee Management Services, LLC ("LMS"); Roberta Terrell; Christina Perry of Myrtle Cruz, Inc.; Kelly Jurecek of Tax Tech, Inc.; Debbie Shelton of FirstSouthwest, a Division of Hilltop Securities; Pat Naff of CDC Unlimited, LLC; Pat Hughes of the City of Sugar Land ("City"); Jimmy Thompson of Levee Management Services, LLC; Chris Elliott of Amerex Energy; Michael Rusk of LJA Engineering, Inc. ("LJA"); and Lynne B. Humphries and Nikole Cales of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board deferred approval of the minutes of the November 6, 2017, regular meeting.

COMMENTS AND QUESTIONS FROM THE PUBLIC

Mr. Elliott thanked the Board and consultants for engineering, designing, and maintaining the levee and District facilities and for the performance during Hurricane Harvey.

DIRECTOR MATTERS, INCLUDING ACCEPT RESIGNATION OF JARED JAMESON, ACCEPT APPOINTMENT AND BONDS AND OATH OF OFFICE FOR ROBERTA TERRELL, REORGANIZE THE BOARD AND APPROVE NEW TCEQ REGISTRATION FORM, AND APPROVE NEW SIGNATURE CARDS FOR DISTRICT BANK ACCOUNTS

Director Ring stated Director Jameson moved outside the boundaries of the District and resigned from the Board of Directors. He stated the Fort Bend County Commissioners Court appointed Greatwood resident Roberta Terrell to fill the vacancy on the Board of Directors at their meeting on December 5, 2017 for the remaining term of

office which expires on June 10, 2018, or until her successor is duly appointed and qualified.

Director Ring discussed Mr. Jameson's contributions to the District while serving as a director and noted he was thankful for his service to the District.

After discussion, Director Terrell moved to accept the resignation of Director Jameson and accept the appointment of Roberta Terrell to the Board for the remaining term of office which expires on June 10, 2018. Director Ring seconded the motion, which passed by unanimous vote.

Ms. Humphries reviewed the Official Bond and Oath of Office for Director Terrell. After review and discussion, Director Terrell moved to approve the Official Bond and Oath of Office for Director Terrell and direct that the documents be filed appropriately and retained in the District's official records and that the Oath of Office be filed with the Secretary of State, as required by law. Director Ring seconded the motion, which passed by unanimous vote.

The Board delayed reorganizing the Board until Director Rimes entered the meeting.

The Board considered approving new signature cards for the District's bank accounts. Following discussion, Director Terrell moved to approve new signature cards for the District's bank accounts. Director Ring seconded the motion, which passed by unanimous vote.

APPROVE AGREEMENTS WITH GREATWOOD MUNICIPAL UTILITY DISTRICTS ("MUDS") (FORT BEND COUNTY MUDS 106, 108, 109, AND 117) FOR CONTRIBUTION TOWARD DETENTION AND LEVEE IMPROVEMENT PROJECT AND APPROVE AGREEMENT WITH FORT BEND COUNTY LIDS 10 AND 6 AND FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT 121 TO PURCHASE FLOOD FIGHTING EQUIPMENT

Ms. Humphries reviewed Agreements between the District and Fort Bend County MUD No. 106, Fort Bend County MUD No. 108, Fort Bend County MUD No. 109, and Fort Bend County MUD No. 117 (collectively "MUDs"), for the MUDs' contribution towards a detention and levee improvement project. Following review and discussion, Director Terrell moved to approve the Agreements as presented and direct that the Agreements be filed appropriately and retained in the District's official records. Director Ring seconded the motion, which passed by unanimous vote.

Ms. Humphries reviewed an Agreement between the District, Fort Bend County Levee Improvement District No. 10, Fort Bend County Levee Improvement District No. 6, Fort Bend County MUD No. 121, to purchase additional flood fighting equipment which is a Tiger Dam outfitted trailer ("Flood-Fighting Agreement"). Following review

and discussion, Director Terrell moved to approve the Flood-Fighting Agreement to purchase flood fighting equipment and direct that it be filed appropriately and retained in the District's official records. Director Ring seconded the motion, which passed by unanimous vote.

DISCUSS EXPIRATION OF ELECTRICITY CONTRACT AND AUTHORIZE EXECUTION OF NEW ELECTRICITY CONTRACT

Mr. Elliott updated the Board regarding expiration of the District's energy contract, presented a cost analysis, and discussed renewal opportunities with Constellation at a cost of 4.3 cents per kilowatt hour. He noted the current rate is approximately 5.8 cents. A copy of the analysis is attached. Discussion ensued regarding Centerpoint ratchet charges. Mr. Elliott recommended extending the contract until the end of September, 2018. Following discussion, Director Terrell moved to approve an extension to the contract for electricity between the District and Constellation until the end of September 2018 at a rate not to exceed 4.3 cents per kilowatt hour, and direct that the Agreement be filed appropriately and retained in the District's official records. Director Ring seconded the motion, which passed by unanimous vote.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Jurecek distributed and reviewed the December, 2017, tax assessor/collector's report, a copy of which is attached. She reported the District's 2017 taxes are 5.5% collected as of November 30, 2017. Following review and discussion, Director Terrell moved to approve the tax assessor/collector's report and payment of the tax bills. Director Ring seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

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

Director Rimes entered the meeting.

LEVEE AND DITCH MOWING AND DRAINAGE CHANNEL CLEANOUT

Mr. Naff updated the Board regarding mowing in the District.

REORGANIZATION OF THE BOARD, CONTINUED

The Board considered reorganizing the Board of Directors. Following discussion, Director Terrell moved to reorganize the Board as follows:

Justin Ring
Roberta Terrell
Stuart Rimes

President
Vice President/ Assistant Secretary
Secretary/ Assistant Vice President

Director Rimes seconded the motion, which passed by unanimous vote.

The Board considered authorizing the filing of an updated District Registration Form with the TCEQ, reflecting the term of the newly appointed director, Roberta Terrell, and the reorganization of the Board. Following review and discussion, Director Rimes moved to authorize filing of the updated District Registration Form with the TCEQ and direct that the Form be filed appropriately and retained in the District's official records. Director Terrell seconded the motion, which passed by unanimous vote.

The Board discussed the schedule for Board meetings and concurred to maintain the current meeting schedule of the first Monday of each month at 5:30 p.m. except for January, which was a holiday.

OPERATION OF DISTRICT FACILITIES

Mr. Perry presented and reviewed the operator's report and updated the Board regarding operations and discussed work completed by LMS during the last month. A copy of the report is attached. Following review and discussion, Director Terrell moved to approve the operator's report. Director Rimes seconded the motion, which passed unanimously.

ENGINEERING MATTERS

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

Mr. Rusk updated the Board regarding the installation of backup sluice gates at pump station no. 1 and pump station no. 2 and noted bids are expected January 23, 2018.

Mr. Rusk updated the Board regarding the installation of flap gate at southern detention pond outfall and presented a proposal from Crostex Construction, Inc., in the amount to \$8,000.

The Board reviewed an updated Capital Improvement Plan, a copy of which is attached to the engineer's report.

After review and discussion, Director Rimes moved to (1) approve the engineer's report; (2) authorize the District's engineer to begin the design of the pump station expansion, increased detention volume project, and preparation of a bond application; and approve the proposal to install a flap gate at the southern detention pond outfall

from Crostex Construction, Inc., in the amount to \$8,000. Director Terrell seconded the motion, which passed unanimously.

INTERLOCAL AGREEMENT BETWEEN THE CITY OF SUGAR LAND AND FORT BEND COUNTY LID NO. 11 FOR MAINTENANCE OF DRAINAGE OUTFALLS WITHIN MIDDLE BAYOU AND MIDDLE BAYOU DIVERSION CHANNEL

The Board considered approving an Interlocal Agreement between the District and the City of Sugar Land for maintenance of drainage outfalls within Middle Bayou and Middle Bayou Diversion Channel ("Interlocal Agreement"). Following review and discussion, Director Rimes moved to approve an Interlocal Agreement as presented, and direct that the Interlocal Agreement be filed appropriately and retained in the District's official records. Director Terrell seconded the motion, which passed by unanimous vote.

FINANCIAL ANALYSIS FROM FINANCIAL ADVISOR OPTIONS FOR FUTURE BOND ISSUES

Ms. Shelton discussed and reviewed various cash flow analyses, copies of which are attached.

PHASE II MS4 STORM WATER MANAGEMENT PLAN IMPLEMENTATION

There was no discussion regarding this item.

WEBSITE PREVIEW AND UPDATE

The Board reviewed the District's website and discussed suggestions on how to increase subscriptions for notifications. Ms. Cales reported that the District website is live.

ATTORNEY'S REPORT

Ms. Humphries reported ABHR filed the District's Eminent Domain Authority Annual Report with the Comptroller of the State of Texas pursuant to Senate Bill 1812.

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 Rimes moved to authorize preparation of the annual report. Director Terrell seconded the motion, which passed by unanimous vote.

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

The Board discussed the upcoming Association of Water Board Directors winter conference to be held January 26 and 27, 2018 in Dallas, Texas. After discussion, Director Rimes moved to authorize directors attending the conference up to three per diems, two nights' hotel accommodations, mileage, and reimbursement of any meals not sponsored by the conference. Director Terrell seconded the motion, which passed by unanimous vote.

PERIMETER LEVEE JOINT BOARD MEETINGS

The Board discussed the last Perimeter levee meeting whereby Fort Bend County LID 6 agreed to participate in the cost of another Tiger Dam outfitted trailer.

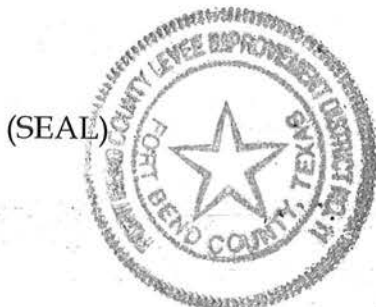
REPORTS ON GREATWOOD PRESIDENTS' MEETING AND ACTIVITIES AND
FOLLOW UP ON LEVEE AND DRAINAGE FACILITIES AND OTHER DISTRICT AND
GREATWOOD REGIONAL MATTERS

The Board discussed the Presidents' meeting, perimeter levee matters and Tiger Dam deployment.

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

There was no discussion on this agenda item. The Board concurred to meet next on January 15, 2018 at 5:30 pm as the rescheduled date due to the New Years' Day holiday.

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




Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Page <u>No.</u>
Cost analysis	3
Tax assessor/collector's report	3
Bookkeeper's report.....	3
Operator's report.....	4
Engineer's report.....	4
Cash flow analyses.....	5