

MINUTES
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 11

January 25, 2011

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 25th day of January, 2011, inside the boundaries of the District, at the Greatwood Lakes Building, 19855 Southwest Freeway, Sugar Land, Texas, and the roll was called of the members of the Board:

Ron McCann	President
Michael E. Stone	Vice President/ Assistant Secretary
Jared Jameson	Secretary/ Assistant Vice President

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

Also present at the meeting were Bob Grant, a resident of the District; Erin Garcia of Myrtle Cruz, Inc.; Greg Ordeneaux of Tax Tech, Inc.; David Rivera of LJA Engineering & Surveying, Inc. ("LJA"); Jeff Perry of SWWC Services, Inc. ("SWWC"); and Lynne B. Humphries and Kristen Hogan of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the December 28, 2010, regular meeting, which were provided in advance of the meeting. Following review and discussion, Director Jameson moved to approve the minutes as submitted. Director Stone seconded the motion, which was approved by unanimous vote.

COMMENTS AND QUESTIONS FROM THE PUBLIC

There were no public comments.

EXPIRATION OF DISTRICT'S INSURANCE POLICIES

The Board discussed the expiration of the District's insurance policies on April 5, 2011. After discussion, the Board directed ABHR to request a renewal proposal from Anco-McDonald Waterworks Insurance Services, L.L.C., the District's current provider.

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

Ms. Humphries discussed a recommendation from Fort Bend County Municipal Utility District No. 108 for a revision to the Greatwood Districts' Travel Reimbursement

Guidelines to require itemized receipts for all expenses, including expenses under \$25.00. Ms. Humphries presented Amended Travel Reimbursement Guidelines for the Board's consideration. After review and discussion, the Board concurred it was not necessary to amend the District's Travel Reimbursement Guidelines.

The Board then discussed Director expenses for the upcoming Association of Water Board Directors winter conference in Galveston. After discussion, the Board concurred no action was necessary since none of the District's Directors plan to attend.

ANNUAL DISCLOSURE STATEMENTS

Ms. Garcia stated that in accordance with the District's Investment Policy, she as the District's bookkeeper and Mary Jarmon as 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 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, pursuant to the District's Investment Policy and the Public Funds Investment Act, and direct that the disclosure statements be filed appropriately and retained in the District's official records. Director Stone seconded the motion, which passed unanimously.

RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

The Board conducted its annual review of the District's Investment Policy and concurred it was not necessary to amend the current Investment Policy dated January 28, 2003. Ms. Humphries presented a Resolution Regarding Annual Review of Investment Policy, reflecting no changes to the current Investment Policy. After review and discussion, Director Jameson moved to adopt the Resolution and direct that it be filed appropriately and retained in the District's official records. Director Stone seconded the motion, which passed unanimously.

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

Ms. Humphries presented a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions to update the list of qualified banks with which the District may invest funds. She noted that the District's bookkeeper provided the updated list of banks, which is attached as Exhibit A to the Resolution. Following review and discussion, Director Jameson moved to adopt the Resolution and direct that it be filed appropriately and retained in the District's official records. Director Stone seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Garcia distributed and reviewed the bookkeeper's report, including the investment report, monthly budget comparison, and list of checks presented for approval. A copy of the bookkeeper's report is attached. In response to a question from Director McCann, Mr. Perry said he would look into the work included in SWWC's monthly invoice. Following review and discussion, Director Jameson moved to approve the bookkeeper's report and payment of the bills. Director Stone seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Ordeneaux distributed and reviewed the tax assessor/collector's report, a copy of which is attached. Following review and discussion, Director Jameson moved to approve the tax assessor/collector's report. Director Stone seconded the motion, which passed by unanimous vote.

PHASE II MS4 STORMWATER MANAGEMENT PLAN IMPLEMENTATION

Ms. Hogan said representatives of Storm Water Solutions plan to attend the February meetings of the Greatwood Districts to discuss action items for implementation of Greatwood's Storm Water Management Plan, including the public education chapter of the storm water manual.

OPERATION OF DISTRICT FACILITIES AND LANDSCAPING AT CUL-DE-SACS TO PREVENT ACCESS TO LEVEE

Mr. Perry distributed and reviewed the operator's report, a copy of which is attached. He reported on operations and maintenance performed during the previous month, as indicated in the operator's report. After review and discussion, Director Jameson moved to approve the operator's report. Director Stone seconded the motion, which passed unanimously.

ENGINEERING MATTERS AND PROPOSAL FROM T-MOBILE FOR INSTALLATION OF ANTENNA

Mr. Rivera distributed and reviewed the engineer's report, a copy of which is attached. He noted that the plans for repair of the shoreline retaining wall erosion around the large detention pond are under design and a proposal for geotechnical work should be received in the next week. In response to questions from the Board, Mr. Rivera said he would ask Michael Rusk to provide the Board with an update on the status of design. Director Stone said he intends to meet with Mr. Rusk the following week to review the plans. Director McCann presented a letter from Jerry Bussell, attorney for the Greatwood Golf Club, requesting an update on the status of the project and coordination with the Golf Club. After review and discussion, the Board directed

ABHR to send a response letter acknowledging receipt of the letter and indicating that the District's engineer will contact the Golf Club to coordinate the portions of the project that will affect the golf course. Director McCann then discussed the decreased water levels in the detention lakes. He reported that the Golf Club received a large bill from the Fort Bend Subsidence District and turned off its well pumps, which resulted in the decreased water level.

Mr. Rivera said he had no update regarding the certification of the perimeter levee by the Federal Emergency Management Agency ("FEMA").

Mr. Rivera noted that LJA previously completed the preliminary inspection of the District's pump station and structures, levees, and ditches, based on the U.S. Army Corps of Engineers Rehabilitation and Inspection Program ("RIP") standards, and that the inspection report was presented at last month's meeting. Mr. Perry said he is working with Mr. Rusk to schedule the redundant levee inspection.

Mr. Rivera then updated the Board on the District's bond application no. 6, noting that the application was submitted to the Texas Commission on Environmental Quality ("TCEQ") on December 22, 2010, and declared administratively complete. He said Mr. Rusk contacted the TCEQ reviewer to schedule a meeting and the reviewer indicated they should wait until the application is under review to schedule the meeting. Ms. Humphries said Mr. Rusk should make sure Randy Nelson is aware of the status of the application since Mr. Rusk and Director Stone previously met with Mr. Nelson to discuss the application.

Mr. Rivera reported on correspondence that Mr. Rusk sent to the T-Mobile representative, as instructed by the Board at last month's meeting. He said LJA has not received a response from T-Mobile. Director McCann said he discussed the matter with Bob Hauck of the Greatwood Community Association at the previous Greatwood Presidents' meeting and told Mr. Hauck that the District will present the plans to the HOA Board to keep them informed once additional information is received.

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

DISASTER PREPAREDNESS COMMITTEE MATTERS

Director Stone reported on the recent Disaster Preparedness Committee meeting and a presentation the Committee received from Classic Messaging regarding emergency mass messaging services. He reviewed the costs associated with the mass messaging services for all of Greatwood and said the Committee concurred for each Committee member to discuss the matter at their individual meetings. Discussion ensued regarding the usefulness of mass messaging technology. The Board then

discussed the Greatwood Districts' website as a method to notify residents of important information.

COMMUNITY PROJECTS COMMITTEE MATTERS

Director Jameson presented preliminary drawings that Bob DeForest prepared for Fort Bend Green showing possible regional park improvements, including a regional hike and bike trail system along the Brazos River adjacent to Greatwood, Riverpark, and New Territory and a pedestrian bridge across the Brazos River to the City of Sugar Land's Memorial Park. The Board reviewed cost estimates for Greatwood and Riverpark's respective shares of construction costs associated with the proposed regional hike and bike trail system. Director Jameson said the Community Projects Committee can work on the general plans and then each individual entity can consider plans for funding the improvements in their respective districts. He said Mr. DeForest prepared the initial drawings on a pro bono basis for Fort Bend Green and additional costs will be tracked for future reimbursement if Greatwood decides to proceed with the plans. Ms. Humphries said the proposed date for the initial Community Projects Committee meeting is February 2, 2011, at 8:30 a.m. Discussion ensued regarding RIP requirements associated with improvements near the toe of the levee. In response to questions from the Board, Ms. Humphries stated that a possible trail system within Greatwood along the redundant levee was included in the Master Parks Plan previously adopted by the District, which can be reviewed by the Committee in connection with the regional trail system plans. In response to questions from Director Jameson regarding the possibility of constructing a trail on top of the main levee, Director Stone discussed the allowable and restricted types of facilities and materials that may be installed on the tops of levees, noting that most types must be included in the initial levee design and construction.

DISTRICT INFORMATION KIT

Ms. Humphries reviewed revisions to the updated District Information Kit presented at last month's meeting for the Directors to review. After review and discussion, Director Stone moved to approve the District's updated Information Kit and authorize posting of the Information Kit on the Greatwood Districts' website.

FORT BEND FLOOD MANAGEMENT ASSOCIATION MATTERS/ACTIONS, FEDERAL FLOOD INSURANCE LEGISLATION, AND ATTENDANCE AT LEVEE CONFERENCES

Director McCann reported on Fort Bend Flood Management Association matters, including webinar seminars scheduled by LJA.

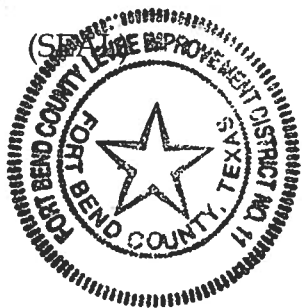
REPORTS ON GREATWOOD PRESIDENT'S MEETING AND ACTIVITIES AND FOLLOW UP ON LEVEE AND DRAINAGE FACILITIES AND OTHER DISTRICT AND GREATWOOD REGIONAL MATTERS, INCLUDING ARTICLES AND INFORMATION FOR GREATWOOD DISTRICTS' WEBSITE

Director McCann said he wants to add a link to www.floodsmart.gov on the Greatwood Districts' website.

Ms. Humphries noted that a summary of discussions at the previous Greatwood Presidents' meeting was forwarded to all of the Directors prior to today's meeting. Director Stone said he is moving his office soon and the Board can consider adopting the new office as an in-District meeting place. The Board concurred to establish Director Stone's new office as an in-District meeting place at the appropriate time.

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


Secretary, Board of Directors



ACTION LIST

1. The attorney will request a renewal proposal from the District's current insurance provider.
2. The operator will look into the work included in the monthly invoice.
3. The engineer will provide an update on the status of design of the shoreline retaining wall erosion repair around the large detention pond.
4. The attorney will send a response letter to the Golf Club.
5. The engineer will notify Randy Nelson of the TCEQ regarding the status of the District's bond application.
6. The attorney will forward the requested information for posting on the Greatwood Districts' website.

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