

**MINUTES OF MEETING OF THE
BOARD OF DIRECTORS**

April 1, 2014

THE STATE OF TEXAS §

COUNTY OF FORT BEND §

FIRST COLONY LEVEE IMPROVEMENT DISTRICT NO. 2 §

The Board of Directors (the "Board") of First Colony Levee Improvement District No. 2 of Fort Bend County, Texas (the "District"), met in regular session, open to the public, at 12:00 p.m. on April 1, 2014 at the offices of Coats, Rose, Yale, Ryman & Lee, P.C., 3 East Greenway Plaza Suite 2000, Houston, Texas 77046, a designated meeting place outside the boundaries of the District; whereupon, the roll was called of the members of the Board of Directors, to-wit:

Ron Frerich	-	President
Christine M. Lukin	-	Vice President
Carl Mazzo	-	Secretary

All members of the Board of Directors were present, thus constituting a quorum.

Also present at the meeting were Kim Shelnett of Myrtle Cruz, Inc., the District's Bookkeeper; Patty Rodriguez, the District's tax assessor/collector ("TAC"); Jason Klump of Stormwater Solutions ("SWS"), the District's Operator; Joe Mattingly and Tara Klein with Champions Hydro-Lawn, Inc. ("Champions"); Craig Kalkomey of Jones & Carter ("J&C"), the District's Engineer; John Cannon, attorney and Beth Van Doren, legal assistant of Coats, Rose, Yale, Ryman & Lee, P.C. ("Coats Rose"), legal counsel for the District.

Whereupon, the meeting was called to order and evidence was presented that public notice of the meeting had been given in compliance with the law. A copy of the posted agenda notice is attached hereto as Exhibit "A".

HEAR FROM THE PUBLIC

No one was present from the public.

APPROVAL OF MINUTES

The Board considered approving the minutes of the Board meeting held March 4, 2014. After consideration and upon motion by Director Frerich, seconded by Director Mazzo, and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting held March 4, 2014.

APPROVING TAX COLLECTOR'S REPORT

The Board recognized Ms. Rodriguez, who reported that as of March 31, 2014, 98.7% of the 2013 tax levy has been collected. She also presented a current list of delinquent accounts to the Board for examination.

After discussion and upon motion by Director Lukin, seconded by Director Mazzo, the Board voted unanimously to approve the tax collector's report, a copy of which is attached hereto as Exhibit "B".

CHAMPIONS HYDRO-LAWN, INC. REPORT

The Board recognized Mr. Mattingly who presented and updated the Board on the status of the District's rights of way. A copy of the report is attached hereto as Exhibit "C".

Mr. Mattingly reported that: mowing was completed on March 28, 2014; overseeding starts April 1, 2014; the irrigation system is back on; and the ants have returned (last treatment in November).

Next, the Board discussed extending the current fence at the outfall structure under University Boulevard around the concrete apron under the bridge.

After discussion and upon motion by Director Mazzo, seconded by Director Frerich, the Board voted unanimously to authorize mowing in April, authorize the application of ant treatments and overseeding and to get an estimate to extend the current fence.

DISCUSS STATUS OF SUSTAINABLE GROWTH TEXAS, LLC CONTRACT ITEMS

The Board noted that soil samples have been sent for testing but the results have not been received. No action was taken.

OPERATOR'S REPORT

The Board recognized Mr. Klump, who presented and reviewed the monthly management report, a copy of which is attached hereto as Exhibit "D".

During the month of March, the pumping station and related equipment were inspected on a daily basis to insure proper operation. All outfall structures have been inspected at least once a week. In addition, all drainage ditches, back slope drains, drainage swales, levees and easement have been inspected at least twice during the month. A constant weather watch has been maintained on a local and regional basis, as well as the Brazos River stages at Richmond.

At the pump station, SWS is continuing to test genset and load bank for one hour weekly and is continuing debris removal and good housekeeping measures.

Mr. Klump also reported that debris removal signs were placed at three addresses. The residents promptly removed the trees.

The installation of the Aqua Fence will begin Thursday, April 3 and is expected to be completed on Friday, April 4 and tested on Monday, April 7. The Board instructed Mr. Klump to safeguard the fence against vandalism over the weekend.

No action was taken on this agenda item.

ENGINEER'S REPORT

The Board recognized Mr. Kalkomey who presented the engineer's report, attached hereto as Exhibit "E".

Review proposed Capital Improvements Budget

Mr. Kalkomey reported that the storage building should be completed by mid-May. He noted that with the 2014 capital improvements plan ("CIP") budget accounted for, J&C will work with the District to develop the 2015 CIP budget, which will include District enhancement projects discussed with the Commonwealth HOA.

De-Silting of Commonwealth Boulevard

On March 25, 2014, J&C received two bid for the de-silting project. Mr. Kalkomey reviewed both bids. After further consideration and based on a motion by Director Mazzo, seconded by Director Frerich, the Board voted unanimously to reject both bids and to postpone the project.

Maintenance Building

CZS Developers is continuing to work on the storage building and well house.

- Storage building: The contractor has framed the roof and is having the City of Sugar Land framing and brick tie inspection April 1. Assuming the project passes inspection, CZS will complete the roof and start the brick facade.
- Well house: Due to scheduling issues with concrete, CZS has been delayed on pouring the foundation for the Well House. Currently, CZS is scheduled to pour on Thursday, April 3.

Additional Items

Utility Easements

CenterPoint Energy reviewed Comcast's crossing over the levee and determined the line does not meet their criteria for a pole attachment. CenterPoint informed Comcast that the line across the levee must be removed. J&C will work with CenterPoint on the revised easement once the Comcast line has been removed.

Entouch Installation

J&C and SWS met with an engineering contractor for Entouch. Entouch is in the planning process to install a fiber optics line from US 59 at Ditch H to University Drive, which a portion will run along the District's western boundary and is interested in obtaining an easement from the District. Director Frerich stated that he is opposed to allowing Entouch to install lines on District property, pointing out that there is no benefit to the District. The Board instructed J&C to tell Entouch the district is not interested in granting the requested easement.

GIS Services

J&C is working on putting together a more detailed example and cost for GIS services.

MS4 Permitting

J&C is waiting for a response from TCEQ on the District's request for a waiver.

BOOKKEEPER'S REPORT

The Board then recognized Ms. Shelnutt of Myrtle Cruz, Inc., who presented for the Board's review and approval the bookkeeper's report. She reported on the status of the District's various accounts and reviewed the Operating Account checks prepared for the Board's review and approval. A copy of the bookkeeper's report is attached hereto as Exhibit "F".

After discussion and upon motion by Director Lukin, duly seconded by Director Frerich, after full discussion and the question being put to the Board, the Board voted unanimously to approve the bookkeeper's report and the checks presented for approval.

HEAR ATTORNEY'S REPORT

Discuss Interlocal Agreement with City of Sugar Land regarding MS4 permit

No action was taken on this matter.

Discuss Interlocal Agreement with City of Sugar Land regarding disaster debris

After review and discussion and upon motion by Director Frerich, duly seconded by Director Lukin, the Board voted unanimously to approve the Interlocal Agreement with City of Sugar Land for Disaster Debris Management.

Discuss Park and Recreational improvements plan

The Board recognized Ms. Klein who presented a contract proposal for the park master plan design development. After further discussion and based on a motion by Director Mazzo, seconded by Director Lukin, the Board voted unanimously to approve the proposed contract with Four and One, LLC, subject to review and approval by Mr. Cannon. The contract estimate is \$14,000 plus extra items and costs.

Discuss “ring levee” issues and take any necessary actions

Mr. Frerich reminded the directors that the next “ring levee” meeting is scheduled for April 8, 2014. No action was taken on this matter.

Discuss FBFMA issues and take any necessary actions

No action was taken on this matter.

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

PASSED, APPROVED and ADOPTED this 6th day of May, 2014.


Secretary, Board of Directors

(DISTRICT SEAL)

