

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

November 4, 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 November 4, 2014 at the offices of Coats, Rose, Yale, Ryman & Lee, P.C., 9 Greenway Plaza, Suite 1100, 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; Debbie Arellano of Bob Leared Interests, the District's tax assessor/collector ("TAC"); Joe Mattingly of Champions Hydro-Lawn ("Champions"); Jason Klump of Stormwater Solutions ("SWS"), the District's Operator; Craig Kalkomey and John Huggins of Jones & Carter ("J&C"), the District's Engineer; John Cannon and Ryan Bledsaw 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 October 7, 2014. After consideration and upon motion by Director Lukin, seconded by Director Mazzo, and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting held October 7, 2014.

APPROVING TAX COLLECTOR'S REPORT

The Board recognized Ms. Arellano, who reported that as of October 31, 2014, 1.958% of the 2014 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 Frerich, 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 Champions' report, a copy of which is attached as Exhibit "C" to these minutes.

Mr. Mattingly presented and outlined three estimates which were included with Champions' report and are attached under Exhibit "C" to these minutes. Relating to the proposed de-silting project, he presented estimates of \$819,000 and \$126,000 for work to de-silt certain sections of the detention areas and replace any damaged bagwalls. Both estimates were calculated at \$90 per cubic yard, based on J&C's estimated silt levels. Mr. Mattingly noted that the price may be reduced by as much as 15% depending on the difficulty of work or may increase if there is no suitable location nearby to dispose of the silt. After discussing the estimates, the Board requested that Mr. Kalkomey prepare estimates of the current capacity of the District's drainage areas and the capacity after de-silting.

Champions' third estimate was for removal of an existing fence and debris and installation of 4,200 linear feet of barbed wire fencing at a total cost of \$18,900. After discussion, upon a motion by Director Frerich, seconded by Director Lukin, the Board voted unanimously to authorize Champions to have a survey prepared of the fence line and to proceed with the work as quoted.

Mr. Mattingly also stated that fall fertilization is scheduled for November. The Board instructed Mr. Mattingly to perform the fertilization work as soon as possible, but not to mow in November.

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 October 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 per

week and is continuing debris removal and good housekeeping measures. Quarterly maintenance on the generator is scheduled for early November and the fuel tank was filled with 212 gallons on September 30, 2014.

At the storage building site, the front door's interior was repaired and repainted, irrigation lines were repaired, Windstream connected internet service and surveillance cameras were installed, and the Aqua Fence crates were moved inside the building.

During an early October rain event, SWS noted a leak where the fan was installed on the south wall of the storage building. It was replaced by the builder.

A whitetail buck was trapped in the forebay of the pump station. The Fort Bend County Game Warden was called and the buck was eventually removed from the area. No property damage or injuries occurred.

Hog activity has continued in October, both before and after mowing. The most affected areas are on the south levee and the outfall ditch.

The resident at 5414 Avondale has a defined path from their gate to the top of the levee. The Board requested that SWS provide notice to the resident and continue to monitor the area.

In addition to the holes behind outfall structures that had been previously noted to the Board, SWS discovered additional holes and recommended injecting them with foam filler. A quote for \$9,507.50 was included with the operator's report.

The City of Sugar Land has cleaned out both interceptor pipes near the University Boulevard bridge, but the concrete slope paving on the east side of the ditch still needs to be replaced. The dirt around the uncovered pipe at the toe of the ditch on the western side needs to be tapered back.

SWS received a quote from Gemini Contracting to paint and coat the four large flap gates, four sluice gates, and two small discharge flap gates for a total cost of \$27,000.

After discussion and upon a motion by Director Frerich, seconded by Director Lukin, the Board voted unanimously to (i) approve the quote for \$9,507.50 to repair holes behind outfalls; (ii) approve the quote for painting and coating from Gemini Contracting for the two small discharge flap gates only; and (iii) approve the engineer's report as presented.

ENGINEER'S REPORT

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

Review proposed Capital Improvements Budget

It is J&C's understanding that the District is working with Champions to prepare a cost estimate for de-silting Commonwealth Boulevard. Based on conversations with Champions, attached to the engineer's report are two 5-year Capital Improvement Plans.

October Ring Levee Inspection

On October 21, the perimeter levee system members held their annual levee inspection. Overall the system appeared to be in good condition, except for extensive hog damage. Most of the damage appears to be in areas with increased ant activity or along fence lines with tree coverage, including in particular pecan trees.

Maintenance Building

As of October 1, the storage building and well house are complete except for minor issues with the irrigation system. The contractor is working with their irrigation subcontractor to repair the issues. Please note that the irrigation system over the ring levee appears to be functioning properly, and the issue is primarily with the new irrigation zones around the maintenance building and with the portions of the older irrigation system that have been connected to the new system.

On November 3, the camera system was completed and programmed; however, minor adjustments to the views can be made. Screenshots of the seven cameras are included in the engineer's report. J&C is working with SecureCheck to price an additional camera for the downstream side of the outfall.

As of this date, the Aqua Fence has been moved inside the maintenance building and the FloodSax and the UTV are scheduled to be moved inside within the next two weeks. J&C and SWS have produced a suggested storage layout, attached to the engineer's report, for the Board's review and comments.

Also included in the engineer's report, J&C provided two sets of proposals for the purchase of emergency radios from Motorola: 3 radios for \$8,671.95 or 4 radios for \$11,470.30. Another set of proposals for the purchase of a gravity sandbagger and trailer were also presented: with 2,000 sand bags included for \$16,895.69 or with 8,000 sand bags included for \$18,371.58. The Board tabled a decision on the sandbagger until the December meeting.

MS4 Permitting

The District's waiver request is still awaiting review and approval from the TCEQ Team Leader. J&C will continue to work with the TCEQ as needed.

CenterPoint Easement

J&C has forwarded the final comments to CenterPoint and is anticipating that final easement documentation will be ready for signature at the District's December meeting.

After discussion and upon motion by Director Lukin, duly seconded by Director Frerich, the Board voted unanimously to (i) authorize the purchase of three radios for \$8,671.95 and (ii) approve the engineer's report.

BOOKKEEPER'S REPORT

The Board then recognized Ms. Shelnett 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".

Upon motion by Director Lukin, duly seconded by Director Mazzo, 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 "ring levee" issues and take any necessary actions

No action was taken on this matter.

Discuss FBFMA issues and take any necessary actions

No action was taken on this matter.

Consider amending easement agreement with CenterPoint Energy

No action was taken on this matter.

CONSIDER APPROVING PROPOSALS FROM FOUR AND ONE, LLC

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 2nd day of December, 2014.


Secretary, Board of Directors

(DISTRICT SEAL)