

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

April 7, 2015

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 7, 2015 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 Roger Mak, a member of the public; Karrie Kay of Myrtle Cruz, Inc. ("MCI"), the District's Bookkeeper; Debbie Arellano of Bob Leared Interests, the District's tax assessor/collector ("TAC"); Joe Mattingly of Champions Hydro-Lawn, Inc. ("Champions"); Jason Klump of Stormwater Solutions ("SWS"), the District's Operator; Craig Kalkomey of Jones & Carter ("J&C"), the District's Engineer; John Cannon and Ryan Bledsaw, attorneys 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

The Board recognized Mr. Mak, who discussed penalties and interest applied to delinquent property taxes from 2012 to 2014 tax years. He reported that he had not received any notice from the District of outstanding tax bills for those time periods until recently. The TAC noted that Mr. Mak's address had not been updated with the Fort Bend County Appraisal District until this year. She also noted that Mr. Mak's 2012-2014 base taxes and 2015 taxes have all been paid as of the meeting date.

After discussion, the Board requested that its consultants investigate the matter further and report back to the Board at its next meeting.

APPROVAL OF MINUTES

The Board considered approving the minutes of the Board meeting held April 3, 2015. After consideration and upon a motion by Director Lukin, seconded by Director Frerich, the question was put to the Board, and the Board voted unanimously to approve the minutes of the meeting held April 3, 2015.

TAX COLLECTOR'S REPORT

The Board recognized Ms. Arellano, who reported that 97.222% of the 2014 tax levy has been collected as of March 31, 2015. 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 REPORT

The Board recognized Mr. Mattingly who presented and outlined Champions' report, a copy of which is attached as Exhibit "C" to these minutes.

Director Lukin noted that anthills at the fence line have been a significant problem lately, and the Board discussed ant treatment options. After discussion, the Board determined that it would continue with its current ant treatment routine.

Mr. Mattingly also reported that Champions would mow the levee in April as scheduled, which the Board approved.

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 past month 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, and river reports are attached to the operator's report.

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 throughout the pump station and storage building. The next scheduled quarterly generator maintenance will take place in April.

Mr. Klump noted that the National Weather Service ("NWS") has been inaccurate in its Brazos River predictions, as discussed with Board members during the past month, and the

Board considered possible solutions. Mr. Klump noted that SWS and J&C have discussed using a “stair-step” action plan which is based more on actual observations rather than NWS’s predictions, but that finding a solution is still a work in progress.

Next, the Board discussed prioritization of repair items. After consideration, the Board instructed Mr. Klump to perform bagwall repairs in 2015 and wait until 2016 to perform interceptor ditch repairs. Mr. Klump provided for the Board’s review a proposal from SWS to repair the bagwalls in 28 places at a cost of \$42,817.50.

After discussion and upon motion by Director Lukin, duly seconded by Director Mazzo, the Board voted unanimously to approve (i) the operator’s report and (ii) SWS’s quote to perform bagwall repairs.

ENGINEER’S REPORT

The Board recognized Mr. Kalkomey who presented the engineer’s report, attached hereto as Exhibit “E”.

Review proposed Capital Improvements Budget

Nothing to report this month.

Project Reports, Change Orders, and Pay Estimates

Nothing to report this month.

MS4 Permitting

The District’s waiver request is still awaiting review and approval from the TCEQ Team Leader of the Storm Water Division.

Additional Items – Fort Bend County Table Top Exercise

The county-wide table top exercise was held March 31st. Overall, the exercise was more productive than 2013’s table top exercise. Based on discussions at the exercise, J&C will revise the District’s Emergency Operations Plan to clarify and/or include:

- More detailed information on emergency activities based on the observed and forecasted river elevation, including when and where to stockpile material and equipment
- More detailed information on the location to obtain and store material for emergency operations
- Updating the location of the pipelines running through the District
- More detailed information on when portions of the District should be evacuated
- Updated material and equipment list

As a follow-up to the exercise, Fort Bend County is going to develop a plan to hold periodic communication tests for the levee systems, similar to their communication tests with

Waller and Harris Counties.

Additional Items – Pump Test and Fort Bend County Inspection

The District’s annual pump test and Fort Bend County inspection is set for April 17, 2015.

Additional Items – Emergency Radios

The City of Sugar Land (“City”) is working with Motorola and Harris County to complete programming of the radios. The City is working to convert their radios from analog to digital. Due to this conversion, the City would like to program the radios at the same time to avoid the necessity to program the levee improvement districts’ radios twice. J&C will continue to work with the City and update the Board.

Additional Items – Additional Camera at Outfall

Attached to the engineer’s report is a proposal from SecureCheck for the additional camera at the outfall at a cost of \$3,013.16. The proposal does not include trenching work, which will cost \$2.00 per linear foot and will be a maximum of 500 feet. J&C will be meeting with SecureCheck to discuss the location of the camera and trench. Based on an earlier conversation, J&C hopes to lower the trench distance by utilizing an existing conduit between the storage building and well house. After discussion, the Board approved the purchase of the camera and trenching work, and requested that J&C also instruct the contractor to install a protective conduit when laying the wire.

After discussion and upon motion by Director Lukin, duly seconded by Director Frerich, the Board voted unanimously to approve the engineer’s report.

BOOKKEEPER’S REPORT

The Board then recognized Ms. Kay 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 “G”.

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.

ATTORNEY’S REPORT

Discuss any landscape projects and act thereon

No action was taken.

Discuss status of efforts to acquire land from HOA

Director Frerich reported that the homeowners association denied the District's request to convey a tract of land. The Board members noted that they would follow up on the matter individually.

Discuss "ring levee" issues and take any necessary actions

Director Frerich informed the Board that he and several other levee improvement district board presidents had met with Commissioner Patterson, who requested that all Board members attend six (6) hours of annual continuing education regarding levee matters. Director Frerich asked the Board's consultants to recommend seminars and/or other events to attend to obtain the required number of hours.

Discuss FBFMA issues and take any necessary actions

The Board discussed a Fact Sheet discussing federal flood risk management standards, as distributed by FBFMA, a copy of which is attached as Exhibit "F" to these minutes.

Next, the Board discussed the status of the District's resignation from FBFMA. Director Frerich noted that the District's earlier letter to FBFMA was not distributed to all member districts and that he does not believe FBFMA's members understand the District's reasons for resigning. The Board instructed its attorneys to forward a copy of the earlier letter to the FBFMA member districts with an explanation of the District's reasons for resigning.

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

PASSED, APPROVED and ADOPTED this 5th day of May, 2015.


Secretary, Board of Directors

