

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

July 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 July 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 Tara Klein and Christie Johnson of Four and One LLC ("4&1"); Mark Eyring of Roth & Eyring, PLLC, the District's Auditor; Debbie Arellano of Bob Leared Interests, the District's tax assessor/collector ("TAC"); Joe Mattingly and Spencer Neely of Champions Hydro-Lawn, Inc. ("Champions"); Jason Klump of Storm Water Solutions, LP ("SWS"), the District's Operator; Craig Kalkomey of Jones & Carter ("J&C"), the District's Engineer; Karrie Kay of Myrtle Cruz, Inc. ("MCI"), the District's Bookkeeper; 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

Tara Klein and Christie Johnson gave a brief update on their work for the District.

ENGAGE AUDITOR

The Board recognized Mr. Roth, who requested that the Board considered engaging Roth & Eyring, for a two-year term to provide the District's audits for the fiscal years ending September 30, 2015 and 2016. After consideration and upon a motion by Director Mazzo, seconded by Director Lukin, the Board voted unanimously to engage Roth & Eyring, for a two-year term.

APPROVAL OF MINUTES

The Board considered approving the minutes of the Board meeting held June 2, 2015. After consideration and upon a motion by Director Lukin, seconded by Director Mazzo, the question was put to the Board, and the Board voted unanimously to approve the minutes of the meeting held June 2, 2015.

TAX COLLECTOR'S REPORT

The Board recognized Ms. Arellano, who reported that 99.350% of the 2014 tax levy has been collected as of June 30, 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 Frerich, 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 Champions' report, a copy of which is attached as Exhibit "C" to these minutes. He stated that aggressive weeds and Johnson grass have been appearing on the levee system, and Champions is investigating herbicide options due to the amount of growth. Director Frerich stated that Champions should research a solution that could target only tall weeds and not shorter grasses. Mr. Mattingly also requested authorization to mow the levee in July.

Director Lukin reported that she saw a cable extended across the levee. The Board stated that, because no one is allowed to have a wire running across the levee or to trench through the levee to bury a wire, the wire should be cut and SWS should leave its contact information at the site of the cut.

After discussion, the Board authorized Champions to mow the levee as requested.

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 July.

Mr. Klump next reported on the recent rain events and high water levels reached in the District and upstream in the Brazos River. He outlined numerous photographs and charts in the operator's report detailing the water levels.

Mr. Klump then reported that a homeowner left chopped wood and other debris on the levee, but that SWS would have the debris removed promptly at no cost to the District.

Mr. Klump discussed options for pumps and stated that 8"-10" pumps were too immobile and that 6" pumps would cost around \$23,000 - \$30,000. The Board requested that SWS and J&C write a letter to Fort Bend County requesting that the County consider buying a pump and storing it in case any levee district needs a pump in an emergency.

Mr. Klump indicated his company was investigating putting in new flood level numbers in the spillway outside the District which could be visible by the camera outside the levee.

Finally, the Board instructed SWS to replace the thresholds at the doors in the maintenance building to prevent flooding during rain events.

No action was required on the Operator's report.

ENGINEER'S REPORT

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

Review proposed Capital Improvements Plan ("CIP") Budget

There are no current changes to the District's CIP.

Project Reports, Change Orders, and Pay Estimates

Additional Camera at Outfall – The additional camera was installed on June 25, 2015.

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 – June Brazos River Event

Due to Tropical Storm Bill and the weather system that followed, the National Weather Service ("NWS") had originally predicted the Brazos River to crest at 50.1 feet, which is the same level as the event that occurred in May. The weather system did not produce the amount of rainfall predicted, so the actual crest reached 46.51 feet. J&C will be working with SWS to perform an inspection of the four 6' x 6' RCBs and flap gates to assess any potential damage.

The 2014 televising showed minor joint displacement at the 36-inch pump discharge lines. Since the station was exercised during the rain event, J&C recommends televising the two discharge pipes to check for any additional displacement.

Additional Items – Emergency Action Plan (“EAP”) Updates

Based on the May and June events on the Brazos River, J&C and SWS are recommending revisions to the District’s EAP. Revised quick-reference sheets are attached as Exhibit “F” to these minutes. Mr. Kalkomey requested that any comments be provided in the coming weeks from the Board or other consultants. J&C will request the Board’s approval of a revised EAP at the August meeting.

Additional Items – Emergency Radios

The City of Sugar Land was expecting templates for the digital conversion to be ready during the week of June 9, and J&C is working with the City of obtain an update. If the templates are received in time, the District’s radios should be programmed by the August meeting and ready for testing.

No action was taken on this agenda item.

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

Consider renewal of insurance policy for 8/7/2015 to 8/7/2016 term

Mr. Cannon reported that the District’s insurance policy with HARCO Insurance Services would expire on August 7, 2015. He presented a proposal from HARCO to renew the policy, a copy of which is attached as Exhibit “H” to these minutes. After discussion, upon a motion by Director Lukin, seconded by Director Mazzo, the Board voted unanimously to approve renewal of the insurance policy.

Discuss any landscape projects and act thereon

The Board discussed the status of landscaping projects. No action was taken.

Discuss new Fort Bend County continuing education requirements

Mr. Cannon discussed the recently adopted continuing education requirements. He requested that the Board members periodically inform Coats Rose of any events they've attended so records can be kept and provided to Fort Bend County as required.

Discuss status of efforts to acquire land from HOA

Director Lukin noted that she and other Board members are continuing to pursue this matter.

Discuss "ring levee" issues and take any necessary actions

The Board discussed current ring levee matters. No action was taken.

Discuss FBFMA issues and take any necessary actions

The Board discussed current FBFMA matters. No action was taken.

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

PASSED, APPROVED and ADOPTED this 4th day of August, 2015.


Secretary, Board of Directors

(DISTRICT SEAL)

