

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

November 3, 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 November 3, 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 of the members of the Board of Directors was called:

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 Pat Hughes, Assistant Fire Chief for the City of Sugar Land and Ambassador for the City of Sugar Land's Office of Intergovernmental Relations; Tara Klein of Four and One LLC ("4&1"); Debbie Arellano of Bob Leared Interests, the District's tax assessor/collector ("TAC"); Joe Mattingly 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 Greer Kuras 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. Pat Hughes, Assistant Fire Chief for the City of Sugar Land and Ambassador for the City of Sugar Land's Office of Intergovernmental Relations. Mr. Hughes will attend at least two Board meetings per year. He invited the Board to communicate with him at any time about matters in which Sugar Land might be interested.

APPROVAL OF MINUTES

The Board considered approving the minutes of the Board meeting held on October 6, 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 October 6, 2015.

TAX COLLECTOR'S REPORT

The Board recognized Ms. Arellano, who reported that 99.604% of the 2014 tax levy and 4.508% of the 2015 tax levy have been collected as of October 31, 2015.

After discussion and upon motion by Director Lukin, seconded by Director Frerich, the Board voted unanimously to authorize payments from the tax account and 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 hereto as Exhibit "C". Mr. Mattingly reported that the last service was completed early, on October 6, 2015. Mr. Mattingly further reported upon the dampness of the ground, the selected replacement trees, and debris removal.

After discussion, the Board authorized Champions to mow, fertilize, implement ant treatment, and install the selected replacement trees as recommended.

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 weekly. In addition, all drainage ditches, back slope drains, drainage swales, levees and easements have been inspected weekly. 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.

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. Weekly log sheets are maintained. Quarterly generator maintenance and load bank testing was completed on October 22, 2015. The next quarterly maintenance will take place in January. SWS tested the District's radios twice on in connection with Fort Bend County's weekly radio checks, and the radios are functioning correctly.

After discussion and upon motion by Director Mazzo, seconded by Director Frerich, the Board voted unanimously to approve proposed repair and maintenance items.

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

Mr. Kalkomey presented a draft of FY2016 CIP which is based on the approved budget.

MS4 Permitting

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

Consider approval of report, pay estimates, and change orders

Mr. Kalkomey reported that NTS will perform miscellaneous replacements and repairs including replacement of the transfer switch. Further, the City should receive the northwest pond sinkhole repair materials in one to two weeks and complete repairs in four to five weeks. Finally, the weather forecast and the recent “levee tour” were discussed.

After discussion, and upon motion by Director Lukin, seconded by Director Mazzo, the Board voted unanimously to approve the Engineer’s Report and authorized recommended replacements and repairs.

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 “F”.

After discussion and upon motion by Director Frerich, seconded by Director Lukin, the Board voted unanimously to approve the Bookkeeper’s Report and to authorize payment of the bills of the District.

ATTORNEY’S REPORT

Discuss any landscape projects and act thereon

The Board recognized Ms. Klein, who discussed the status of landscaping projects. She discussed the possibility of creating an irrigation system separate from the neighboring HOA’s system and the cost differences involved therein. The Board further agreed that purple pipe should be used for replacement pipe due to the LID’s proximity to the wastewater treatment plant and the possibility that re-use water will be utilized in approximately five to ten years. Finally, Ms. Klein explained the upcoming pre-bid meeting and calendar. The Board may call a special meeting after December 11, 2015 to consider the lowest bidder and approve the contract.

Discuss status of efforts to acquire land from HOA

The Board recognized Mr. Cannon, who discussed the status of efforts to acquire certain

land from the HOA. Mr. Cannon reported that the HOA is in the process of drafting a lease to present to the Board.

Discuss Fort Bend County Appraisal District Ballot

Mr. Cannon presented the Board with the Fort Bend County Appraisal District Election Ballot. The Board authorized Mr. Cannon to prepare a Resolution casting its ballot for Jim Kij.

PASSED, APPROVED and ADOPTED this 1st day of December, 2015.


Secretary, Board of Directors

(DISTRICT SEAL)

