

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

January 4, 2019

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 special session, open to the public, at 12:00 p.m. on Friday, January 4, 2019, at 4330 Knightsbridge Boulevard, Sugar Land, Texas 77479, a designated meeting place inside the boundaries of the District; whereupon, the roll of the members of the Board of Directors was called, to wit:

Ron Frerich	-	President
Christine M. Lukin	-	Vice President
Zach Weimer	-	Secretary

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

Also present at the meeting were Debbie Arellano of Bob Leared Interests ("BLI"), the District's Tax Assessor/Collector ("TAC"); Karrie Kay of Myrtle Cruz, Inc. ("MCI"), the District's Bookkeeper ("Bookkeeper"); Jason Klump of LID Solutions, LP ("LID Solutions"), the District's Operator ("Operator"); Stephen Reiter of Jones & Carter ("J&C"), the District's Engineer ("Engineer"); Lenny Hardoin of Champions Hydro-Lawn, Inc. ("Champions"); and John Cannon and Laken Jenkins of Coats Rose, P.C. ("Coats Rose"), the District's legal counsel.

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 noted that there were no members of the public wishing to address the Board.

APPROVAL OF MINUTES

The Board considered approving the minutes of the Board meeting held on December 4, 2018. After consideration and upon a motion by Director Lukin, seconded by Director Frerich, the Board voted unanimously to approve such minutes as presented.

TAX COLLECTOR'S REPORT

The Board recognized Ms. Arellano who reported that 63.906% of the 2018 tax levy had been collected as of December 31, 2018. After discussion and upon motion by Director Frerich, seconded by Director Lukin, the Board voted unanimously to authorize payments from the tax account and approve the TAC's Report, a copy of which is attached hereto as Exhibit "B".

CHAMPIONS HYDRO-LAWN REPORT

The Board recognized Mr. Hardoin, who presented Champions' Report, a copy of which is attached hereto as Exhibit "C". Mr. Hardoin reported that the levee is not in need of mowing this month.

Director Lukin inquired into a residence with a fence down around its backyard pool. Director Frerich stated he would contact code enforcement with the City of Houston to report the fence.

Director Lukin further noted overgrowth on a fence near the wetlands park and Maranatha Farms. Director Frerich stated he would contact the HOA to clean up the fence.

The Board noted that no action was needed in conjunction with the Champions' Report.

OPERATOR'S REPORT

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

During the month of December 2018, the pump station and related equipment were inspected on a daily basis to insure proper operation. All outfall structures, drainage ditches, back slope drains, drainage swales, levees, and easements were inspected weekly or as weather permitted. A constant weather watch was maintained on a local and regional basis, as well as the Brazos River stages at Richmond. River reports are attached to the Operator's Report.

Both pumps are in place and operational. LID Solutions continues testing genset and load bank for an hour, weekly, and continues debris removal and good housekeeping measures throughout the pump station and storage building. Weekly log sheets on-site are maintained. The annual maintenance on the diesel generator was completed December 12th.

Mr. Klump also reported an o-ring was replaced on the western-most discharge flap gate, as requested by the Board in the December meeting.

The Board noted that no action was needed in conjunction with the Operator's Report.

ENGINEER'S REPORT

The Board recognized Mr. Reiter of J&C, who presented the Engineer's Report, attached hereto as Exhibit "E".

Stormwater Pump Station Expansion

Mr. Reiter updated the Board that the contractor's sub-consultant broke out the penetration for the new outfall larger than the specified diameter in the plans. This raised concern for the structural integrity of the wall due to the proposed gate and adjacent penetrations. Mr. Reiter noted that J&C is working with its structural engineer to design a permanent fix that meets the original design requirements. J&C is anticipating a final design on Monday, January 7th.

Mr. Reiter further presented to the Board Progress Payment No. 2 in the amount of \$215,843.40 which covers construction activities for the period of November 15, 2018 – December 15, 2018, and recommended payment of same. After further discussion, Director Frerich made a motion which was seconded by Director Lukin to approve payment of Progress Payment No. 2, subject to Coats Rose sending a letter to the contractor addressing the issue with the outfall.

Hog Fencing

The Board recognized Director Frerich, who updated the Board that LID No. 14 and LID No. 15 are installing hog fencing around their levee in order to prevent hog damage. Mr. Frerich informed the Board of the benefits of installing similar hog fencing around the District's levee in areas susceptible to hog damage. Mr. Frerich also recommended installing flap gates within the culverts to prevent animals from entering when the culverts are dry. Mr. Reiter and Mr. Hardoin stated they would get pricing for hog fencing and flap gates to present to the Board for review and approval.

BOOKKEEPER'S REPORT

The Board recognized Ms. Kay, who presented for the Board's review and approval the Bookkeeper's Report along with certain checks for payment, a copy of which is attached hereto as Exhibit "F".

After discussion, Director Frerich made a motion to approve the Bookkeeper's Report and checks presented for payment, which motion was seconded by Director Lukin and unanimously passed.

ATTORNEY'S REPORT

Mr. Cannon advised the Board that he had no additional items to present.

The meeting was adjourned.

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PASSED, APPROVED, and ADOPTED this 5th day February, 2019.

(DISTRICT SEAL)

Secretary, Board of Directors