

MINUTES

FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 2

April 12, 2018

The Board of Directors (the "Board") of Fort Bend County Levee Improvement District No. 2 (the "District"), met in special session, open to the public, on the 12th day of April, 2018, at Pump Station A aka William "Bill" Little Pump Station, 4435 Greystone Way, Sugar Land, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Andre D. McDonald	President
Bryan K. Chapline	Vice President
Glen R. Gill	Secretary

and all of said persons were present, thus constituting a quorum.

Also present for all or part of the meeting were Karin M. Jacoby and Scott Davis of Husch Blackwell, LLP; Samantha Medlock, Paula Pagniez, and Christine Milliner of Willis Towers Watson ("WTW"); Paul Kangas and Rajiv Matta of Assurant, Inc. ("AI"); Mike Thelen of Storm Water Solutions, LP; Mike Stone and Phil Martin of Mike Stone Associates, Inc.; Gregory P. Frank of Costello, Inc.; and David Oliver and Justine M. Cherne of Allen Boone Humphries Robinson LLP.

PARAMETRIC INSURANCE COVERAGE MATTERS.

Ms. Jacoby discussed the National Flood Insurance Program, a pilot community purchased flood insurance program, and an overview of parametric insurance matters. Mr. Davis provided additional information regarding a proposed pilot parametric insurance program for the District. Ms. Jacoby and Mr. Davis reviewed a draft document titled, "Policy and Requirements for a District Disaster Fund," for discussion purposes. Discussion ensued.

Ms. Medlock gave a presentation regarding Parametric Insurance for Flood and Drought. A copy of the presentation is attached. She discussed a proposal for developing a parametric insurance strategy for the District to include development of payout triggers for rainfall, drought, and water surface elevation in Ditch H, structuring of the parametric solution for the triggers, and taking the solution to market to negotiate insurance coverage. Ms. Medlock reviewed engagement options between the District and WTW, including a proposed phased broker-consultant relationship. She reviewed case studies with the Board and responded to Board members' questions. Ms. Medlock discussed WTW's experience and qualifications related to developing parametric insurance strategies. Discussion ensued.

Mr. Kangas discussed legislative and regulatory development matters related to flood insurance, including matters related to the National Flood Insurance Program and a pilot community purchased flood insurance program.

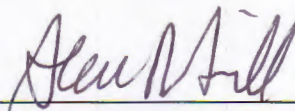
Mr. Matta gave a presentation regarding Parametric Flood Coverage. A copy of the presentation is attached. He discussed options for proposed parameter based flood insurance coverage for the District that makes a payout when certain thresholds of water levels, rainfall, and overall flow capacity at gravity outfall facilities are exceeded, and discussed the possibility of adding an option related to the number of flooded homes. He reviewed key advantages of parametric insurance for flooding and ideal vendor selection factors and responded to Board members' questions. Mr. Matta discussed AI's experience and qualifications related to parametric insurance products and discussed pricing and a proposed schedule for placing a policy into effect for the District. Discussion ensued.

In response to Ms. Jacoby's inquiry, Mr. Kangas reported on the upcoming National Flood Conference scheduled June 10 - 12, 2018.

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

(SEAL)




Secretary, Board of Directors

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