

MINUTES

FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 2

February 21, 2018

The Board of Directors (the "Board") of Fort Bend County Levee Improvement District No. 2 (the "District"), met in regular session, open to the public, on the 21st day of February, 2018, at the Sugar Land Marriott Town Square, 16090 City Walk, in the Burning Pear Restaurant, 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 Farha Ahmed, resident of the District; Karen Sears of McLennan & Associates, LP; Brenda McLaughlin of Bob Leared Interests, Inc.; Russell Jones of The Holloway Jones Law Firm; Mike Stone and Phil Martin of Mike Stone Associates, Inc.; Mike Thelen of LID Solutions, LLC ("LID Solutions"); Gregory P. Frank, P.E. of Costello, Inc.; David Mann of AECOM; Mark Pauls of Freese and Nichols, Inc. ("FNI"); Shannon Waugh of Off Cinco; Bob Hodge of Tech3 Business Systems, LLC; Jorge Alba of the City of Sugar Land ("COSL"); and David Oliver and Justine M. Cherne of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENTS

Director McDonald opened the meeting to receive public comments. There being no public comments, Director McDonald closed the meeting to public comments.

CONSENT AGENDA:

Approve Minutes;
Financial and Bookkeeping matters, including Payment of District's Bills; and
Tax Assessment and Collections Matters, including Payment of Tax Bills.

Following review and discussion, Director Gill moved to approve the items included on the Consent Agenda, including the minutes of the Board's meeting held January 23, 2018. Director Chapline seconded the motion, which passed by unanimous vote. Copies of the draft minutes and the bookkeeper's and tax assessor/collector's reports are included in the attached Board Book.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS

Ms. Sears reviewed additional check nos. 10617 - 10624, from the District's General Fund, for payment of invoices related to utility services and conference registration fees. Following review and discussion, Director Chapline moved to authorize execution of the additional checks. Director Gill seconded the motion, which was approved by unanimous vote.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

There were no additional tax assessment or collection matters.

ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board considered establishing the District's tax exemptions for the 2017 tax year and reviewed a proposed Resolution Concerning Exemptions from Taxation, a copy of which is included in the attached Board Book. Following review and discussion, Director Chapline moved to adopt a Resolution Concerning Exemptions from Taxation, which provides for the exemption from ad valorem taxation the amount of \$15,000 of the appraised value of residence homesteads of individuals who are disabled or are sixty-five years of age or older, and rejects the general residential homestead and travel trailer exemptions. Director Gill seconded the motion, which was approved by unanimous vote.

STORM WATER MANAGEMENT PLAN AND PUBLIC COMMENTS

There was no update on the implementation of the District's Storm Water Management Program in compliance with the Texas Commission on Environmental Quality's Phase II MS4 Permitting requirements.

DISTRICT REGISTRATION FORM

The Board reviewed an updated District Registration Form reflecting changes in consultants' contact information and company names. Following review and discussion, Director Chapline moved to authorize execution of the updated District Registration Form, and direct that the form be filed appropriately and retained in the District's official records. Director Gill seconded the motion, which was approved by unanimous vote.

CONVENE IN EXECUTIVE SESSION

The Board convened in executive session at 8:43 a.m., to consult with its attorney regarding the Authority's purchase, exchange, lease, or value of real property pursuant to Section 551.072, Texas Government Code. The Board determined that the attendance in this executive session of Mr. Stone, Mr. Martin, and Mr. Frank was necessary in order for the Board to obtain the necessary legal advice from its attorney, and the Board

requested their presence in the executive session.

RECONVENE IN OPEN SESSION AND CONSIDER USE OF EMINENT DOMAIN

At 9:01 a.m., the Board reconvened in open session. Director Chapline moved to authorize Mr. Jones to make a final purchase offer on a 1.172-acre tract of land for a supplemental storm water pump station as discussed. Director Gill seconded the motion, which was approved by unanimous vote.

GENERAL MANAGER MATTERS

Mr. Stone and Mr. Martin discussed General Manager matters and reported on the status of current and future District Capital Improvement Plan projects. A copy of the General Manager's report is included in the attached Board Book.

Mr. Martin reported that the Sugar Land Baptist Church executed the finalized easement documents for the District's proposed pilot project to install articulated concrete block material on top of a portion of the District's west levee from the William "Bill" Little Pump Station to US Highway 59 and project to construct overflow parking at the pump station and an additional levee access point near US Highway 59. Mr. Frank reported on the status of the design of the project. Mr. Stone discussed the schedule for the project. Following discussion, Director Gill moved to authorize advertisement for bids for construction of the project. Director Chapline seconded the motion, which was approved by unanimous vote.

Mr. Martin and Mr. Frank updated the Board on the design schedule and permitting matters for the District's proposed project to rehabilitate Ditches B, B-1, C, C-1, and E, including access driveway locations and the possible inclusion of the COSL's outfall rehabilitation project. Mr. Martin stated that the final design can proceed now that an Approved Non-Jurisdictional Determination for the proposed project has been received from the United States Army Corps of Engineers (the "USACE"). He discussed entering into an Interlocal agreement with the COSL to include its project to rehabilitate 18 of their outfalls. Mr. Stone discussed the schedule for the project. Director Chapline stressed the Board's expectations that the project will be completed within the District's aggressive schedule. Following discussion, Director Gill moved to authorize advertisement for bids for construction of the project. Director Chapline seconded the motion, which was approved by unanimous vote.

Mr. Martin and Mr. Frank updated the Board on the design of the proposed rehabilitation and improvement project for the District's south and east levees, including the proposed road crossings under review by the COSL and coordination with SWCA Environmental Consultants on permitting matters. Mr. Martin discussed a review of road crossing options for a crossing where the COSL will not agree to a 25 mile per hour speed limit. Discussion ensued regarding whether studies of the Brazos River elevations performed by Half Associates Inc. and scheduled to be performed by

Fort Bend County would have any impact on the project.

Mr. Martin discussed the scope of services included in Task Order 1 for a proposed Professional Engineering Services Agreement with AECOM for the preparation of a Preliminary Engineering Report including a series of alternatives and preliminary design for the District's proposed third storm water pump station. He stated that information from FNI's preliminary analysis of options for pumping capacity improvements for lowering the base flood elevation in the District summarized in two memoranda included in the attached Board Book would be utilized by AECOM. Following review and discussion, Director Chapline moved to authorize execution of a Professional Engineering Services Agreement with AECOM and approve Task Order 1. Director Gill seconded the motion, which was approved by unanimous vote. A copy of the agreement, including the task order, is included in the attached Board Book.

Mr. Stone reported on his attendance at homeowners' associations meetings to provide an update and respond to questions regarding the District's Hurricane Harvey after-action activities and plans. Discussion ensued regarding scheduling additional meetings with area organizations to ensure effective communication of these matters. Mr. Martin stated that the District will participate in a joint Hurricane Harvey after-action public meeting with the COSL on April 4, 2018, hosted by the COSL in City Council chambers.

Mr. Martin reported that he is researching vendors of flood monitoring equipment and procedures for flood monitoring undertaken by other entities.

Director Gill reported on a meeting held with Ms. Waugh to discuss the District's public communication objectives. Ms. Waugh reviewed a Website Proposal, including options for design, monthly maintenance and hosting, and additional available features. A copy of the proposal is included in the attached Board Book. Ms. Waugh discussed options for allowing users to enter their contact information on the website and distributing messages to the community in response to Board members' questions. Following review and discussion, Director Gill moved to authorize approval and execution of the Website Proposal to include a fixed layout website design in the amount of \$1,200.00, unlimited monthly maintenance updates and hosting with document monitoring in the amount of \$250.00 per month, and unlimited email and text alerts in the amount of \$100 per month. Director Chapline seconded the motion, which was approved by unanimous vote.

Mr. Martin reviewed a press release dated February 12, 2018, regarding the record rainfall and high river levels caused by Hurricane Harvey, their impact on the District's facilities and operations, and the District's after-action activities and plans. A copy of the press release is included in the attached Board Book. Mr. Martin stated the press release was distributed to local newspapers and will serve as the main article in the District's next newsletter. Discussion ensued regarding options for distributing public communications outside of the District's boundaries.

Mr. Martin discussed Fort Bend County Levee Improvement District No. 14's ("FB LID 14") response to the District's distributed summary of HR Wallingford Group Ltd.'s ("HRWG") report for Phase 1 fragility, reliability, and resiliency analyses of the District's levee system and HRWG's proposal for Phase 2 analyses of the perimeter levee system. He reviewed a letter sent to FB LID 14 on February 19, 2018, stating that the District welcomes participation and input from any members of the perimeter levee system and offering to meet and discuss concerns in further detail. A copy of the letter is included in the attached Board Book. Mr. Martin reviewed a draft agenda for use during the proposed meeting with FB LID 14, a copy of which is included in the attached Board Book.

Discussion ensued regarding preparing the District's facilities to meet anticipated future USACE evaluation requirements incorporating new Levee Safety Action Classification standards. Additional discussion ensued regarding requesting a proposal from HRWG for a Phase 3 study of the District's levee system focusing on Oyster Creek drainage solutions. Mr. Stone discussed including representatives of HRWG in scheduled meetings with the USACE and the COSL regarding these matters.

Mr. Martin reported on the status of testing for the District's pilot study to determine whether the proposed water reel distribution option provides effective emergency irrigation for the District's levees.

Mr. Martin reported on District operation and maintenance activities, including the status of work orders, and responded to Board members' questions. He reported that FNI's final reports of findings regarding security conditions and fire risk for the District's facilities are included in the attached Board Book. He reviewed a proposal from Hatch Associates Consultants, Inc. for preparation of plans and specifications and bid phase services for the pump replacement project at Pump Station F in the amount of \$30,885.00. A copy of the proposal is included in the attached Board Book. Following review and discussion, Director Gill moved to authorize execution of the proposal as submitted. Director McDonald seconded the motion, which was approved by unanimous vote.

Mr. Martin reviewed quotes obtained by LID Solutions from the Shade Shop for installing shutters on Pump Station F in the amount of \$12,348.00 and from Alvin Contracting for repainting and refurbishing five flap gate winch housings at the Pump Station A outfall structure in the amount of \$7,500.00. Copies of the quotes are included in the attached Board Book. Following review and discussion, Director Chapline moved to authorize LID Solutions to proceed with the maintenance and repair items as quoted. Director Gill seconded the motion, which was approved by unanimous vote.

Mr. Martin updated the Board on the status of FNI's coordination with the District's consultants to update the District's Emergency Preparedness Plan. He discussed the purchase of additional emergency radios for the District.

Discussion ensued regarding options for lowering the elevation of Ditch H.

OPERATION OF DISTRICT FACILITIES

Mr. Thelen reviewed the operator's report, a copy of which is included in the attached Board Book. He discussed routine operating, maintenance, repair, and inspection matters, and activities occurring within the District's right-of-way, including warranty work performed for the natural gas generator at Pump Station F and maintenance of the gates at Pump Stations A and F.

ENGINEERING MATTERS

Mr. Frank reported on engineering matters. A copy of the Engineer's Report is included in the attached Board Book.

Mr. Frank discussed his coordination with the District's General Manager on a proposed draft response to the USACE's final report on the Initial Eligibility Inspection of the First Colony - Missouri City (also known as SugarStone) perimeter levee for the Rehabilitation and Inspection Program. He reported that wet weather has delayed the installation of riprap at the State Highway 6 flap gate area to address erosion.

Mr. Frank reported that he and the District's General Manager will discuss the COSL's Amil Gate replacement and Dam 3 improvement projects, including the COSL's request for easements related to the Dam 3 improvement project, and the District's study of Oyster Creek drainage matters during a meeting scheduled with representatives of the COSL next week.

DEEDS, EASEMENTS, AND RIGHT OF ENTRY AND ENCROACHMENT AGREEMENTS

Mr. Martin reported on efforts related to obtaining easement documentation and proper installation procedures for fiber optic cable installed along the west levee from US 59 to the south levee and aerially over the south levee by enTouch without the District's approval.

CONFERENCES AND LEGISLATIVE MATTERS

The Board reviewed a calendar of upcoming conferences and discussed legislative and regulatory development matters related to federal levee, floodplain management, and flood insurance matters with potential significant impacts on Fort Bend County levees. Director McDonald reported on Texas Water Day and a meeting of the Greater Fort Bend Economic Development Council and discussed pursuing community purchased insurance. Following review and discussion, Director Chapline moved to authorize Director McDonald's attendance at the National Waterway Conference and the USACE winter stakeholder meeting and Director Gill's attendance at the Texas Water Conservation Association's annual convention. Director Gill

seconded the motion, which was approved by unanimous vote.

MEETING SCHEDULE

The Board confirmed cancellation of its March 7, 2018, workshop meeting and scheduled a regular meeting at 8:30 a.m. on March 21, 2018, at the William "Bill" Little Pump Station.

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



Secretary, Board of Directors

(SEAL)



LIST OF ATTACHMENTS TO MINUTES

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