

MINUTES

FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 2

October 17, 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 17th day of October, 2018, at the William "Bill" Little Pump Station (aka Pump Station A), 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 Linda Brown, resident of the District; Jorge Diaz of McLennan & Associates, LP; Michelle Guerrero of Bob Leared Interests, Inc.; David Beyer of Stormwater Solutions, LP; Phil Martin of Mike Stone Associates, Inc. ("MSAi"); Russell Jones of The Holoway Jones Law Firm, PLLC; Anthea Moran of Masterson Advisors LLC; Bob Hodge of Tech3 Business Systems, LLC ("Tech3"); Mike Thelen and Jason Klump of LID Solutions, LLC ("LID Solutions"); Craig Kalkomey of LJA Engineering, Inc. ("LJA"); David Munn of AECOM; and David Oliver and Justine M. Cherne of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Director McDonald opened the meeting to receive public comments. Ms. Brown addressed the Board regarding levee construction, home sales, and drainage matters. Mr. Martin stated that final inspection of construction on the levee will be held soon and a review of the impact of the construction on drainage for Ms. Brown's property will be included. There being no additional public comments, Director McDonald closed the meeting to public comments. A copy of the sign-in sheet for public speakers is attached.

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.

Director McDonald noted corrections to the minutes of the Board's meeting held September 19, 2018. Following review and discussion, Director Chapline moved to

approve the items included on the Consent Agenda, including the minutes of the Board's meetings held September 19, 2018, as corrected, and September 26, and October 12, 2018. Director Gill seconded the motion, which passed by unanimous vote. Copies of the minutes, and the bookkeeper's and tax assessor/collector's reports are included in the attached Board Book.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Guerrero reviewed a proposed notice providing the website address, www.fblid2.com/alerts, for registering for the District's text and email message alerts for placement on the District's tax bills. Following review and discussion, the Board authorized placement of the notice on the District's tax bills pending revisions as discussed.

Ms. Guerrero stated the Delinquent Tax Attorney's Report included in the attached Board Book did not contain any action items.

2018 TAX RATE

Ms. Guerrero reported that notice of the District's public hearing to adopt a proposed total 2018 tax rate of \$0.145 per \$100 of assessed valuation was published as required. Director McDonald opened a public hearing regarding adoption of the District's tax rate, and upon receiving no comment from the public, the Board concurred to close the public hearing. Ms. Moran discussed tax rate options. After review and discussion, Director Chapline moved to: (i) adopt an Order Levying Taxes for the 2018 tax year, reflecting a tax rate of \$0.145 per \$100 assessed valuation, with \$0.057 allocated for debt service and \$0.088 allocated for maintenance and operation expenditures; (ii) authorize execution of the Amendment to Information Form; and (iii) direct that the order and form be filed appropriately and retained in the District's official records. Director Gill seconded the motion, which passed by unanimous vote. The Board confirmed its intention that the 2018 tax levy includes a debt service component for the calendar year ending December 31, 2019, and a maintenance tax component for the fiscal year ending September 30, 2019.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS

Mr. Diaz presented two additional checks from the District's General Fund for payment of invoices from McDonald & Wessendorff Insurance in the amount of \$2,298.00 and the Association of Levee Boards of Louisiana in the amount of \$750.00. Following review and discussion, Director Chapline moved to authorize execution of the two additional checks as presented. Director Gill seconded the motion, which was approved by unanimous vote.

STORM WATER MANAGEMENT PLAN, TRAINING, AND PUBLIC COMMENTS

Mr. Beyer updated the Board on the District's Storm Water Management Program ("SWMP") in compliance with the Texas Commission on Environmental Quality's (the "TCEQ") Phase II MS4 Permitting requirements. He discussed anticipated requirements for the SWMP after renewal of the MS4 Permit by the TCEQ. Discussion ensued regarding storm water management public education opportunities.

CONVENE EXECUTIVE SESSION

The Board convened in executive session at 9:00 a.m. to conduct a private consultation with its attorneys to discuss the 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. Martin, Mr. Munn, and Mr. Kalkomey 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

At 9:13 a.m., the Board reconvened in open session. Director Chapline moved to authorize Mr. Jones to enter into negotiations and make final purchase offers on three tracts of land for the District's proposed third storm water pump station and ancillary facilities, pursuant to appraisal reports for the tracts. Director Gill seconded the motion, which was approved by unanimous vote.

GENERAL MANAGER MATTERS

Mr. Martin reported on General Manager matters, including 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 on public communication matters, including distribution of a notice of the District's participation in a public meeting regarding Hurricane Harvey Recovery matters in coordination with the City of Sugar Land (the "COSL") scheduled for 6:00 p.m. on November 7, 2018. A copy of the notice is included in the attached Board Book.

Mr. Martin discussed an article to be placed in the *Fort Bend Independent* regarding the District's receipt of an award in the Technology Innovation Operations Category presented by the AT&T Government Technology Special Districts Program at the Southwest Regional Summit in Austin, Texas.

Mr. Martin reviewed the District's fall 2018 newsletter included in the attached Board Book and stated it would be distributed soon.

Mr. Martin discussed coordination with ABHR on an easement required for

establishing an art and statue trail near Brooks Lake and the north levee in coordination with local organizations.

Mr. Martin reported on the status of the District's 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 (the "West Levee Top Armoring Pilot Project"). Mr. Martin reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$260,439.40, payable to Lecon, Inc. After review and discussion, Director Chapline moved to approve Pay Estimate No. 2 in the amount of \$260,439.40, payable to Lecon, Inc. for the West Levee Top Armoring Pilot Project. Director Gill seconded the motion, which passed by unanimous vote. A copy of the pay estimate is included in the attached Board Book.

Mr. Martin reported on the status of the District's project to rehabilitate Ditches B, B-1, C, C-1, and E, including the COSL's outfall rehabilitation project (the "Interior Ditch Rehabilitation Project"). Mr. Martin stated there were no pay estimates payable to Texas Wall and Landscape LLC for the Interior Ditch Rehabilitation Project at this time.

The Board discussed the District's proposed rehabilitation and improvement project for the District's south and east levees. Discussion ensued regarding levee conditions observed during the tour of the First Colony - Missouri City (also known as SugarStone) perimeter levee system held October 12, 2018. Mr. Martin stated that a report of the observed conditions will be prepared by Mr. Kalkomey. Additional discussion ensued regarding the preliminary results of the Brazos River Authority's Basin Floodplain Protection Study.

Mr. Martin reported that AECOM has completed the preparation of a Preliminary Engineering Report ("PER") containing a series of alternatives and preliminary design for the District's proposed third storm water pump station and ancillary facilities. He stated that AECOM's PER incorporates rainfall totals from the Atlas 14 historical rainfall study for Texas recently published by the National Oceanic and Atmospheric Administration's National Weather Service. He stated that AECOM and Freese & Nichols, Inc. ("FNI") independently determined pump capacity based on the Atlas 14 rainfall totals and recommend that the design of the third storm water pump station include six pumps plus one spare pump. Mr. Martin stated that additional surveying of slab elevations within the District will be performed to confirm prior elevation data.

Mr. Martin recommended approval of AECOM's Task Order 2 for the preparation of detailed design plans for the District's proposed third storm water pump station and ancillary facilities, including the preparation of five phased construction contract bid packages, in an amount not to exceed \$2,605,976.00. Mr. Munn discussed

the aggressive schedule included in the task order. Mr. Martin discussed MSAi's review of options for generator power, including long-term contract purchase options. After review and discussion, Director Chapline moved to approve AECOM's Task Order 2 in an amount not to exceed \$2,605,976.00. Director Gill seconded the motion, which passed by unanimous vote. A copy of the task order is included in the attached Board Book.

Mr. Martin reported on the status of Hatch Associates Consultants, Inc.'s preparation of plans and specifications for the pump replacement project at the Michael "Mike" Thelen Pump Station (aka Pump Station F), including modeling of the current and proposed pump configurations by FNI. Mr. Martin recommended approval of LJA's Task Order 4 for additional surveying services in the Pump Station F watershed and to confirm slab elevations in the watersheds of Ditches A and H in an amount not to exceed \$10,000.00. After review and discussion, Director Chapline moved to approve LJA's Task Order 4 in an amount not to exceed \$10,000.00. Director Gill seconded the motion, which passed by unanimous vote. A copy of the task order is included in the attached Board Book.

Mr. Martin reported on the schedules for delivery and installation of rainfall and stream gauge equipment pursuant to the District's Interlocal Agreement for Installation and Maintenance of Seven (7) Gauge Stations with the COSL and participation in the Harris County Flood Warning System. He reported on the status of C.F. McDonald Electric, Inc.'s installation and repair of electrical conduit for the equipment. He stated an alert will be distributed when the new gauges become live on the District's website.

Mr. Martin reported on the status of grant awards from the Federal Emergency Management Agency to reimburse the District for costs related to Hurricane Harvey.

Mr. Martin stated that a progress report on FNI's hydrologic and hydraulics analyses of the District's drainage system is included in the attached Board Book. He stated FNI will evaluate the District's gravity drainage system inside and outside of the levee using recently published Atlas 14 rainfalls which increased the 100-year, 24-hour rainfall total from 12.5" to 16.23." Director Chapline requested that the new data be available for presentation at the public meeting regarding Hurricane Harvey Recovery matters scheduled to be held November 7, 2018.

Mr. Martin reported on District operation and maintenance activities, including the status of the bi-annual aerial survey of the District's facilities and responded to Board members' questions.

The Board discussed the District's current engagement letter with Husch Blackwell LLP ("HB"), a copy of which is included in the attached Board Book. Following review and discussion, Director Chapline moved to authorize MSAi to negotiate a revised engagement letter with HB for Board review. Director Gill seconded the motion, which was approved by unanimous vote.

Mr. Martin discussed the security and fire monitoring systems recommended by Tech3 pursuant to FNI's fire and security assessment of the District's pump stations. He recommended approval of security service agreements and fire alarm sales, monitoring, inspection, and service contracts with ASAP Security Services for the District's pump stations in the amount of \$80.00 per station per month. Mr. Martin additionally recommended approval of Tech3's Sales Order 17-15A for installing the security equipment in the amount of \$48,272.71 and a work order for LID Solutions to install conduit and cable for the equipment in the amount of \$19,449.00. He stated that the costs are included in the District's budget for fiscal year ending September 30, 2019.

Following review and discussion, Director Chapline moved to authorize: (1) execution of security service agreements and fire alarm sales, monitoring, inspection, and service contracts with ASAP Security Services for the District's pump stations in the amount of \$80.00 per station per month, pending final review by ABHR; (2) execution of Tech3's Sales Order 17-15A for installing the security equipment in the amount of \$48,272.71; and (3) approval of a work order for LID Solutions to install conduit and cable for the equipment in the amount of \$19,449.00. Director Gill seconded the motion, which was approved by unanimous vote. Copies of the agreements, contracts, sales order, and work order are included in the attached Board Book.

Mr. Martin stated that the First Colony - Missouri City (also known as SugarStone) perimeter levee system inspection reports for July and August, 2018, are included in the attached Board Book. He stated that Mr. Kalkomey's report regarding the levee conditions observed during the tour of the perimeter levee system held October 12, 2018, will be presented to the Board in November, 2018.

Mr. Martin stated that the HR Wallingford Group Ltd.'s Phase 2 fragility, reliability, and resiliency analyses of the District's levee system is 30% complete. He stated that all invoices for the analysis performed to date have been paid and the analysis has been placed on hold.

Mr. Thelen reported that the Fort Bend County Drainage District repaired a void in the slope of Ditch H.

HIGH-WATER VEHICLE PURCHASE

The Board reviewed a Bill of Sale for the purchase of a high-water tactical vehicle from Beyer Services LLC in the amount of \$21,999.00 and a proposal for insurance coverage for the vehicle in the amount of \$2,298.00, copies of which are included in the attached Board Book. Following review and discussion, Director Chapline moved to authorize execution of the Bill of Sale in the amount of \$21,999.00 and insurance proposal in the amount of \$2,298.00. Director Gill seconded the motion, which was approved by unanimous vote.

AMENDED CONTRACT WITH LID SOLUTIONS

The Board reviewed a First Amendment to Amended and Restated Operation and Maintenance Service Contract with LID Solutions to include increased monthly fees and proposed changes in the prices for the vegetation management plan and billable rates for equipment and personnel. Following review and discussion, Director Chapline moved to authorize execution of the First Amendment to Amended and Restated Operation and Maintenance Service Contract with LID Solutions. Director Gill seconded the motion, which was approved by unanimous vote. A copy of the First Amendment to Amended and Restated Operation and Maintenance Service Contract with LID Solutions is included in the attached Board Book.

OPERATION OF DISTRICT FACILITIES

Mr. Thelen reported on maintenance and operation matters, including seeding, sodding, divot repair, and stop log storage location matters. A copy of the operator's report is included in the attached Board Book.

ENGINEERING MATTERS

Mr. Kalkomey reported that the United States Army Corps of Engineers ("USACE") acknowledged receipt of the District's 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 submitted August 27, 2018. Discussion ensued regarding the schedule for USACE levee inspections.

Mr. Kalkomey reported he is monitoring two proposed sanitary sewer construction projects to be performed by the COSL within existing utility easements located inside the Texas Department of Transportation's right-of-way.

Mr. Kalkomey discussed Fort Bend County Drainage District's planned analyses of the recently published results of the Atlas 14 historical rainfall study for Texas and discussion ensued.

DEEDS, EASEMENTS, RIGHT OF ENTRY, AND ENCROACHMENTS

Mr. Martin reported on an anticipated request for an easement for the installation of a gas line at State Highway 6 and upper Ditch H.

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.

Mr. Martin reviewed a list of the District's memberships in organizations providing education and information regarding federal levee, floodplain management, and flood insurance matters. The Board discussed obtaining a subscription to the Texas Water Conservation Association's Legislative News Service in the amount of \$925.00 per session. Following review and discussion, Director Gill moved to authorize the purchase of a subscription to the Texas Water Conservation Association's Legislative News Service in the amount of \$925.00 per session. Director Chapline seconded the motion, which was approved by unanimous vote.

REORGANIZE BOARD AND ELECT OFFICERS

The Board considered reorganizing the Board. Following discussion, Director Chapline moved to appoint himself as Assistant Secretary in addition to Vice President with no other changes to the remaining officers. Director Gill seconded the motion, which passed by unanimous vote.

EXECUTION OF DISTRICT REGISTRATION FORM

The Board reviewed an updated District Registration Form reflecting the appointment of Director Chapline as Assistant Secretary in addition to Vice President. 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 records. Director Gill seconded the motion, which was approved by unanimous vote. A copy of the updated District Registration Form is included in the attached Board Book.

MEETING SCHEDULE

The Board concurred to hold a workshop meeting at 8:30 a.m. on November 7, 2018, and to reschedule its November 21, 2018, regular meeting to 10:00 a.m. on November 14, 2018. The Board concurred to hold both meetings 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

	Minutes
	<u>Page</u>
sign-in sheet for public speakers	1
Board Book.....	2