

MINUTES  
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 17

August 10, 2017

The Board of Directors (the "Board") of Fort Bend County Levee Improvement District No. 17 (the "District") met in regular session, open to the public, on the 10th day of August, 2017, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

David Lawrence	President
NG Fook (Francis) Ming	Vice President/ Assistant Secretary
David W. Gornet	Secretary/ Assistant Vice President

and all of the above were present except Director Ming, thus constituting a quorum.

Also present at the meeting were Ry Reid Board Member (??) of the Telfair Community Association ("TCA"); Jeff Perry of Levee Management Services, LLC ("LMS"); Christina Perry of Myrtle Cruz, Inc.; Jason Kelly of LJA Engineering & Surveying, Inc. ("LJA"); Kristy Hebert of Tax Tech, Inc.; Brad Koehl of Bio Landscape and Maintenance, Inc. ("Bio"); Christine Crotwell of FirstSouthwest, a Division of Hilltop Securities ("FSW"); and Lynne B. Humphries and Nikole Cales of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the July 13, 2017, regular meeting. Following review and discussion, Director Lawrence moved to approve the minutes of July 13, 2017, regular meeting as submitted. Director Gornet seconded the motion, which passed by unanimous vote.

PUBLIC COMMENTS

There were no members of the public who wished to address the Board. The Board concurred to next discuss item number 7 from the agenda.

\$2,035,000 UNLIMITED TAX BONDS, SERIES 2017 INCLUDING APPROVE PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL NOTICE OF SALE, DISCLOSURES PURSUANT TO MUNICIPAL SECURITIES RULEMAKING BOARD RULES, ENGAGE RATING COMPANY TO PERFORM CREDIT RATING ANALYSIS FOR DISTRICT'S UNLIMITED TAX BONDS, SERIES 2017, APPOINT PAYING AGENT/REGISTRAR, AUTHORIZE ADVERTISEMENT FOR SALE OF THE SERIES

2017 BONDS AND SCHEDULE BOND SALE, AND ENGAGE AUDITOR TO PREPARE DEVELOPER REIMBURSEMENT REPORT

Ms. Croswell reviewed the Preliminary Official Statement and Official Notice of Sale for the \$2,035,000 Unlimited Tax Bonds, Series 2017 ("Bonds"). The Board discussed the paying agent/registrar and the advertisement and bond sale schedule.

Ms. Croswell stated that pursuant to the Municipal Securities Rulemaking Board requirements, FSW, as financial advisor to the District, has provided a written disclosure to the Board of Directors related to the Bonds.

The Board discussed engaging McGrath & Co., PLLC to prepare the Developer Reimbursement Report for the Bonds.

Following discussion, Director Gornet moved to: (1) approve the Preliminary Official Statement and Official Notice of Sale, subject to final review and approval of the District's consultants; (2) appoint Bank of New York Mellon Trust Company as paying agent/registrar; (3) authorize advertisement for bids for the Bonds and schedule the bond sale for September 14, 2017; and (4) engage McGrath & Co., PLLC to conduct a developer reimbursement report for the Bonds. Director Lawrence seconded the motion, which carried unanimously.

UPDATE ON WEBSITE AND APPROVE POSTINGS

The Board reviewed the District's new website and authorized the website administrator to go live.

PHASE II MS4 STORM WATER PLAN IMPLEMENTATION

There was no discussion regarding this item.

LAKE MAINTENANCE BY LAKE MANAGEMENT SERVICES, INC. ("LAKE MANAGEMENT")

There was no discussion regarding this item.

MAINTENANCE OF THE WETLAND SHELVES AND MOWING OF DISTRICT FACILITIES BY YELLOWSTONE LANDSCAPE

Mr. Koehl reviewed the maintenance report, a copy of which is attached. He then discussed tree management performed in the District. After review and discussion, Director Lawrence moved to approve the maintenance report. Director Gornet seconded the motion, which passed unanimously.

## ENGINEERING MATTERS

Mr. Kelly reviewed the engineer's report, a copy of which is attached, and updated the Board on the status of construction projects.

Mr. Kelly updated the Board regarding the City of Sugar Land ("City") planned Ditch H hike and bike trail project and noted he sent a letter to the City requesting the City not proceed with construction of the trail within the District until it receives approval from the District.

After review and discussion, Director Lawrence moved to approve the engineer's report. Director Gornet seconded the motion, which passed unanimously.

## RECREATIONAL FACILITIES

There was no discussion regarding this item.

## PARK MAINTENANCE

The Board reviewed the August TCA memorandum, a copy of which is attached. After review and discussion, Director Lawrence moved to decline approval of the items presented in the memorandum because the District's operator, LMS, will handle the repairs. Director Gornet seconded the motion, which passed unanimously.

Mr. Reid requested the Board consider installing eight solar lights along approximately 900 feet of sidewalk along one of the lakes which is estimated to cost approximately \$1,000. After reviewing the area where the lights are requested, the Board concurred to defer the request until Director Gornet can survey the area in person. Discussion ensued regarding the Board's request that any possible installation of landscape lighting not impact neighboring homeowners.

## DEVELOPMENT IN THE DISTRICT

There was no discussion regarding this item.

## FINANCIAL AND BOOKKEEPING MATTERS, INCLUDING PAYMENT OF THE BILLS, REVIEW OF INVESTMENTS, BUDGET COMPARISON, AND AMEND BUDGET FOR FISCAL YEAR END DECEMBER 31, 2017

Ms. Perry reviewed the bookkeeper's report, including payment of bills, and review of investments, copies of which are attached. Following review and discussion, Director Lawrence moved to approve the bookkeeper's report, including payment of the bills. Director Gornet seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS, INCLUDING DELINQUENT TAX COLLECTIONS, INSTALLMENT AGREEMENTS, AND PAYMENT OF TAX BILLS

Ms. Hebert presented and reviewed the tax assessor/collector's report for July 31, 2017, and the bills for payment from the tax account, a copy of which is attached. She stated 99.72% of the District's 2016 taxes have been collected to date. Ms. Hebert reviewed a delinquent list with the Board, a copy of which is attached to the tax assessor's report. After review and discussion, Director Gornet moved to approve the tax assessor/collector's report and payment of the tax bills. Director Lawrence seconded the motion, which passed by unanimous vote.

DISCUSS 2017 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

Ms. Crotwell presented and reviewed a letter and debt service tax rate analysis, recommending the District levy a 2017 debt service tax rate of \$0.27. She reviewed projected maintenance and operations revenue for maintenance and operations tax rate. A copy of the letter is attached. The Board discussed the proposed 2017 tax rate. After review and discussion, Director Lawrence moved to authorize the tax assessor/collector to publish notice of a public hearing on September 14, 2017, in the *Fort Bend Star* regarding the Board's adoption of a maximum 2017 tax rate of \$0.57 per \$100 of assessed valuation, with \$0.27 allocated for debt service and \$0.30 allocated for operations and maintenance. Director Gornet seconded the motion, which passed unanimously.

ADOPT RESOLUTION VOTING FOR WATER DISTRICT NOMINEE FOR THE ELECTION OF THE BOARD OF DIRECTORS OF THE FORT BEND CENTRAL APPRAISAL DISTRICT ("FBCAD")

The Board discussed nominees for the water district candidate in the Fort Bend Central Appraisal District ("FBCAD") Board election. After review and discussion, Director Lawrence moved to cast the District's 30 votes for Sam. Director Gornet seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES, BILLINGS, REPAIRS AND MAINTENANCE, INCLUDING REPAIRS AND MAINTENANCE TO THE DISTRICT'S SYSTEM

Mr. Perry presented and reviewed the operator's report and updated the Board regarding maintenance and facility repairs performed during the previous month. A copy of the report is attached.

Mr. Perry stated recent meger testing showed there were issues with pump 4 at pump station no. 2. He stated LMS will pull the pump and present repairs next month.

Mr. Perry discussed erosion along the bank of the Brazos River. He stated according to the markers LMS installed after the 2016 high water event, it appears the bank near marker no. 1 has eroded several feet. Mr. Perry reported all other areas with markers showed the erosion to be minimal. It was noted this erosion is still a long way from the District's levee. After review and discussion the Board concurred to take no action at this time, but requested LMS continue to monitor the erosion.

Mr. Perry stated a fountain in one of the lakes was damaged as a result of a car accident in which the car entered the lake. He stated Lake Management can make the necessary repairs in the amount of \$3,083.24 and noted the car owner's insurance should reimburse the District for the expenses incurred. He added the City's police are aware of the accident and a report was filed by the District as well.

Following review and discussion, Director Gornet moved to approve the operator's report. Director Lawrence seconded the motion, which carried unanimously.

ATTORNEY'S REPORT

There was no discussion regarding this item.


STATUS OF FEDERAL FLOOD INSURANCE LEGISLATION, AND ATTENDANCE AT A NATIONAL LEVEE, DRAINAGE, OR FLOOD RELATED CONFERENCE

There was no discussion regarding this item.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS REGARDING EVENTS AND ACTIVITIES ATTENDED DURING THE MONTH

Director Gornet updated the Board regarding matters related to Fort Bend County Levee Improvement District No. 7 ("LID 7") and erosion along the Brazos River within LID 7.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.

  
Secretary, Board of Directors

(SEAL)



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