

MINUTES
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 17

September 13, 2018

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 13th day of September, 2018, 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 W. Gornet	President
NG Fook (Francis) Ming	Vice President/ Assistant Secretary
Vibhor Mehrotra	Secretary/ Assistant Vice President

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

Also present at the meeting were Jeff Perry and Ross Autrey of Levee Management Services, LLC ("LMS"); Jason Kelly of LJA Engineering, Inc. ("LJA"); Kristi Hebert of Tax Tech, Inc.; Christina Perry of Myrtle Cruz, Inc.; Brad Koehl of Yellowstone Landscape - Central, Inc. ("Yellowstone"); Aly Long and Tony Joubert of Sterling Association Services, Inc.; Keisha Seals and Jorge Alba of the City of Sugar Land ("City"); Dave Ciarella of Enhanced Energy Services of America, LLC ("EES"); Ed Pearson and Parvez Hussain, residents of the District; and Lynne B. Humphries and Nikole Cales of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board reviewed the minutes of the August 9, 2018, regular meeting. After review and discussion, Director Ming moved to approve the minutes of the August 9, 2018, regular meeting as submitted. Director Gornet seconded the motion, which passed unanimously.

PUBLIC COMMENTS

No members of the public wished to address the Board.

UPDATE REGARDING CENTERPOINT RATCHET CHARGE MATTERS

Mr. Ciarella discussed the CenterPoint ("CP") ratchet charges and stated the Texas Public Utility Commission will hold a rate case on CP's rates in April, 2019. He stated at that time, CP is proposing to present a possible solution to ratchet charges that impact entities like the District. Mr. Ciarella, the Board and Ms. Humphries discussed possible solutions.

UPDATE ON WEBSITE AND APPROVE POSTINGS

The Board requested ABHR post the tax rate notice publication to the District's website when it is available.

PHASE II MS4 STORM WATER MANAGEMENT PLAN ("SWMP") IMPLEMENTATION

There was no discussion regarding this item.

LAKE MAINTENANCE BY LAKE MANAGEMENT SERVICES, L.P.

The Board reviewed lake maintenance updates, which are filed in the District's official records.

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

The Board reviewed the maintenance and mowing report, a copy of which is attached. After review and discussion, Director Gornet moved to approve the maintenance and mowing report. Director Ming 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 recommended the Board approve irrigation repairs totaling \$1,610.94 which were completed by Ridgewood per the District's agreement.

Mr. Kelly updated the Board regarding the surface water easement with the City of Sugar Land and stated he is still coordinating with City officials regarding the matter.

The Board requested Mr. Kelly prepare a website notice regarding the work being performed by Fort Bend County near the District's levee on County property.

Mr. Kelly discussed a proposal for drainage facility improvements, which includes installation of sluice gates at both pump stations, installation of flap gates at the drainage outfalls that discharge into Bullhead Bayou and installation of a diversion pipe around the weir in the north drainage system in the amount of \$2,492,682 plus \$233,341 for engineering design and services. A copy of the proposal is attached to the engineer's report.

Mr. Kelly discussed a proposal to perform an updated existing conditions survey of District flood protection facilities in the amount of \$52,850, a copy of which is attached to the engineer's report.

Mr. Kelly updated the Board regarding the surplus park bond funds application. He stated the application is still in technical review by the Texas Commission on Environmental Quality.

Mr. Kelly updated the Board regarding the design and installation of an additional 11 drinking water fountains and stated plans have been submitted to the City for review. Discussion ensued regarding the best option to purchase the drinking fountains. The Board requested Mr. Kelly contact the City and see if they are able to procure drinking fountains that the District can purchase at a reasonable rate.

After review and discussion, Director Ming moved to (1) approve the engineer's report; (2) approve the engineering services proposal for drainage facility improvements in the amount of \$233,341; (3) approve the proposal for an updated existing conditions survey of District flood protection facilities in the amount of \$52,850; and (4) approve irrigation repairs totaling \$1,610.94 which were completed by Ridgewood. Director Gornet seconded the motion, which passed unanimously.

The Board directed the bookkeeper to pay for the approved proposals out of the District's operating fund. It was noted the funds will not be reimbursed by a future bond issue at this time, but the Board requested the bookkeeper track the expenses in case they opt to issue bonds for the projects in the future.

Mr. Kelly discussed the request from PS Lightwave to obtain easements for installation of fiber optic cable on District property. The Board reviewed a copy of a map detailing the proposed location provided by PS Lightwave, a copy of which is attached.

PARK MAINTENANCE

The Board reviewed the September memorandum from the TCA, a copy of which is attached. After review and discussion, Director King moved to: (1) approve item number 1 for brick restoration and fence repair at 6802 Arborwood Lane in the amount of \$1,080; and (2) approve item number 1 for reimbursement to the TCA for repair and repainting of the wrought iron fences at Meadowcroft and McAllister Avenues in the amount of \$1,149.

Discussion ensued regarding the District's maintenance agreement with the TCA and the TCA's request that the Board consider funding an administrator to handle costs associated with LID park maintenance items. Mr. Pearson stated the HOA believes the cost to employ an additional full-time administrator is between \$50,000 and \$75,000, which number is higher than the amount previously given the District. Discussion

ensued regarding the possibility of engaging the District's operator to perform the parks administration on behalf of the District and the Board requested LMS provide a proposal to perform the parks administrative duties at the next meeting. The Board requested ABHR send a letter to the TCA requesting an extension to allow for termination of its maintenance contract with the TCA pending additional information regarding a parks administrator, and requesting the specific cost for the TCA to employ a person for these tasks.

DEVELOPMENT IN THE DISTRICT

The Board discussed development in the District.

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

Mr. Perry reviewed a report regarding maintenance and facility repairs performed during the previous month, a copy of which is attached.

Discussion ensued regarding the bridge and sidewalk repair at Darmascus Court in the Section 28 lake and the possibility of testing for voids in the area to determine if additional repairs are necessary. The Board requested Mr. Perry present proposals to permanently repair the sidewalks by filling any voids on both sides of the bridge. After discussion, the Board authorized LMS to coordinate and authorize necessary temporary repairs in an amount not to exceed \$5,000.

Mr. Perry discussed an email regarding a resident complaint about the sloping of a sidewalk around the main lake. He reported LMS will repair the area as weather permits. A copy of the resident's email is filed in the District's official records.

Mr. Perry reported the District's Federal Emergency Management Agency claim is still pending.

Mr. Perry stated the District's Tiger Dam trailer is expected to be delivered by October 15, 2018.

Mr. Perry presented and reviewed costs to guarantee temporary rental pumps during an emergency event, a copy of which is attached.

Mr. Kelly discussed performing a two dimensional drainage analysis to provide more accurate data to assist with the planning of any additional improvements. The Board requested Mr. Kelly bring a proposal to the next meeting.

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

FINANCIAL AND BOOKKEEPING MATTERS, INCLUDING PAYMENT OF THE BILLS, REVIEW OF INVESTMENTS, BUDGET COMPARISON

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 Ming moved to approve the bookkeeper's report, including payment of the bills. Director Gornet seconded the motion, which passed unanimously. The Board requested ABHR prepare a resolution expressing intent to reimburse the District for engineering fees and the projects discussed should it wish to do so in a future bond sale.

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 September, 2018, and the bills for payment from the tax account, a copy of which is attached. She stated 99.45% of the District's 2017 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 Ming moved to approve the tax assessor/collector's report and payment of the tax bills. Director Gornet seconded the motion, which passed by unanimous vote.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S 2018 TAX RATE, ADOPT ORDER LEVYING TAXES AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION

Ms. Hebert stated Tax Tech Inc. published the required Notice of Public Hearing stating the District anticipates levying a \$0.57 tax rate at this meeting.

Director Gornet then opened the public hearing. No members of the public addressed the Board. Director Gornet closed the public hearing.

Ms. Humphries presented to the Board an Order Levying Taxes for a \$0.57 tax rate, with \$0.27 allocated for debt service and \$0.30 allocated for maintenance and operations expenditures. Ms. Humphries also presented an Amendment to Information Form reflecting the newly adopted tax rate.

After review and discussion, Director Gornet moved to adopt the Order Levying Taxes as presented and authorize execution of the Amendment to Information Form, and direct that the Order and Amendment be filed appropriately and retained in the District's official records. Director Ming seconded the motion, which passed unanimously. The Board confirmed its intention that the 2018 tax levy includes maintenance and operations and debt service components for the fiscal year ending December 31, 2019.

ATTORNEY'S REPORT AND APPROVE ARBITRAGE REBATE REPORT FOR THE SERIES 2008 BONDS

The Board reviewed the Arbitrage Rebate Report for the Series 2008 Bonds and directed that it be filed in the District's official records.

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

There was no discussion regarding this matter.


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

There was no discussion regarding this matter.

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

(SEAL)



Asst. 
Secretary, Board of Directors

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