

MINUTES
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6

September 24, 2018

The Board of Directors (the "Board") of Fort Bend County Levee Improvement District No. 6 (the "District") met in regular session, open to the public, on the 24th day of September, 2018, at The George Foundation, 215 Morton Street, in the Main Conference Room, Richmond, Texas, a regular meeting place outside the boundaries of the District, and the roll was called of the members of the Board:

Gary Pochyla	President
Kent P. Savage	Vice President
Linda Jacks	Secretary

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

Also present at the meeting were Tom Butcher, Greg Gibson, William Walls, Joe Grace, David Vrshek, Susan Angle, and Chris Read, residents of the District; Jeff Perry and Ross Autry of Levee Management Systems; Ron Dechert of Costello, Inc. ("Costello"); Tracey Scott of Myrtle Cruz, Inc.; David Patterson of Assessments of the Southwest, Inc.; Greg Lentz of Masterson Advisors LLC; Brad Koehl of Yellowstone Landscape - Central, Inc. ("Yellowstone"); Howard Cohen of Schwartz, Page & Harding, LLP; and Angela Lutz and Holly Huston of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no public comments.

MINUTES

The Board considered approving the minutes from the August 27, 2018, Board of Directors' meeting, which were provided in advance of the meeting. Ms. Lutz discussed proposed revisions to the meeting minutes. After review and discussion, Director Pochyla moved to approve the August 27, 2018, minutes, as revised. Director Savage seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Mr. Patterson distributed and reviewed the August tax assessor/collector's reports, copies of which are attached. He stated the District's 2017 tax collection rate is 98.88% as of August 31, 2018. Mr. Patterson then reviewed a delinquent tax attorney report, a copy of which is attached to the tax assessor/collector's report. After review and discussion, Director Savage moved to approve the tax assessor/collector's report and

payment of the tax bills. Director Jacks seconded the motion, which passed by unanimous vote.

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

Mr. Patterson stated that Assessments of the Southwest, Inc., published the required Notice of Public Hearing stating the District anticipates levying a total tax rate of \$0.50 per \$100 of assessed valuation at this meeting.

Director Pochyla then opened the public hearing. No members of the public came forward to make comments. Director Pochyla closed the public hearing.

Ms. Lutz presented to the Board an Order Levying Taxes for a total tax rate of \$0.50 per \$100 of assessed valuation comprised of \$0.355 for debt service and \$0.145 for operations and maintenance. Ms. Lutz also presented an Amendment to Information Form reflecting the new tax rate.

After review and discussion, Director Pochyla 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 Jacks seconded the motion, which passed unanimously. 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 July 31, 2019.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Scott presented to the Board for review and approval the bookkeeper's report and bills, a copy of which is attached. Following review and discussion, Director Savage moved to approve the bookkeeper's report and payment of bills. Director Jacks seconded the motion, which passed unanimously.

CONDUCT ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPTION OF INVESTMENT POLICY

The Board conducted its annual review of the District's Investment Policy. Ms. Lutz reported that during the 2017 Legislative Session, several changes were made to the Public Funds Investment Act, Public Funds Collateral Act, and other laws impacting the investments of governmental entities. She stated that the District's current Amended Investment Policy would need to be revised accordingly. Ms. Lutz next reviewed a Resolution Regarding Annual Review of Investment Policy and Adoption of Amended Investment Policy. After review and discussion, Director Pochyla moved to approve and authorize execution of the Resolution Regarding Annual Review of Investment Policy

and Adoption of Amended Investment Policy and direct that the Resolution be filed appropriately and retained in the District's official records. Director Jacks seconded the motion, which passed unanimously.

REVIEW, REVISE AND ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

Ms. Lutz reviewed a list of authorized Broker/Dealers provided by the District's bookkeeper. She then reviewed a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions. After review and discussion, Director Pochyla moved to adopt Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions and direct that it be filed appropriately and retained in the District's official records. Director Savage seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES, BILLINGS, REPAIRS AND MAINTENANCE, INCLUDING SHARED PERIMETER LEVEE REPORT

Mr. Perry reviewed the operator's report, a copy of which is attached. He updated the Board regarding operations and maintenance performed in the District during the last month.

Mr. Perry updated the Board regarding the recent erosion repair along Rabbs Bayou.

Mr. Perry discussed Mr. Gibson and Mr. Wall's request for additional landscaping on District property near the Serenity Pond in Fort Bend County Municipal Utility District No. 187 ("MUD 187"). He reported that the Del Webb Sweetgrass Homeowners Association ("HOA") does not have an issue with their request. Ms. Lutz stated ABHR can prepare an agreement stating the HOA is financially responsible for damage done to District property in the event MUD 187 residents request additional landscaping, at their own cost.

Upon a motion made by Director Savage and seconded by Director Pochyla, the Board voted unanimously to (1) approve the operator's report; (2) authorize ABHR to prepare an agreement to the HOA outlining terms and conditions of financial responsibility for damage done to District property for additional landscaping from MUD 187 residents, and direct that the agreement be filed appropriately and retained in the District's official records; and (3) approve Mr. Gibson and Mr. Wall's request for additional landscaping, subject to the HOA's acceptance of the financial responsibility, as discussed.

MOWING OF DISTRICT FACILITIES

Mr. Dechert reported Texas Department of Transportation (“TxDot”) completed the remaining 60” storm pipe under US Highway 59. He stated the Williams Ranch Municipal Utility District No. 1 (“WRMUD 1”) detention pond, the WRMUD 1 drainage ditch, and the Veranda Ponds need to be reseeded. Mr. Dechert presented and reviewed a proposal from Yellowstone to reseed the detention facilities in the amount of \$4,680.00, a copy of which is attached. Following review and discussion, Director Savage moved to approve the proposal to reseed WRMUD 1 detention pond, WRMUD1 detention ditch, and the Veranda detention ponds and direct that the proposal be filed appropriately and retained in the District’s official records. Director Pochyla seconded the motion, which passed unanimously.

UPDATE REGARDING STORM WATER PERMITTING MATTERS, INCLUDING PUBLIC COMMENTS

There was no discussion regarding this agenda item.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Mr. Vrshek updated the Board on development in MUD 187.

ENGINEERING MATTERS

Mr. Dechert updated the Board regarding engineering matters and presented and reviewed an engineer’s report, a copy of which is attached.

Mr. Dechert updated the Board regarding the status of construction projects for Del Webb and WRMUD1 and noted there were no projects or pay estimates for the Board’s approval.

Mr. Dechert updated the Board regarding construction projects for Veranda Phase II and Veranda drainage ditch and noted that the drainage report for the Veranda Phase II has been approved by Fort Bend County Drainage District.

Mr. Dechert updated the Board regarding the construction of Veranda Detention Pond Phase II and noted there were no pay estimates or changes order for the Board’s approval.

Mr. Dechert updated the Board regarding construction projects for the temporary repairs to the culvert crossing for the WRMUD1 drainage ditch and noted that the 60” inch TxDot storm pipe is complete, as discussed.

Mr. Dechert updated the Board regarding construction projects for the George Foundation and noted there were no projects or pay estimates for the Board’s approval.

Mr. Dechert updated the Board regarding construction projects for the Rabbs Bayou sloughing repair. He reported the HOA is meeting with geotechnical engineers to evaluate the damaged property and recommend repairs.

Mr. Dechert updated the Board regarding construction projects for the shoreline repair of Del Webb Pond No. 1 (Serenity Pond) and noted there were no projects or pay estimates for the Board approval.

Mr. Dechert updated the Board regarding the surveying and engineering for the West Levee Extension pursuant to Fort Bend County's ("FBC") request. He reported the survey is complete and Costello is scheduled to submit the preliminary plans and cost estimate to FBC at their next meeting.

Following review and discussion, Director Jacks moved to approve the engineers report. Director Savage seconded the motion which passed unanimously.

BOND APPLICATION NO. 6, INCLUDING

Mr. Lentz updated the Board regarding the status of the Series 2018 Unlimited Tax Levee Improvement Bonds ("Series 2018 Bonds") application.

APPROVE PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL NOTICE OF SALE

Mr. Lentz reviewed the Preliminary Official Statement and Official Notice of Sale for the Series 2018 Bonds.

AUTHORIZE ENGINEER TO REQUEST TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ("TCEQ") INSPECTION OF FACILITIES

The Board considered authorizing Costello to request the TCEQ inspection of facilities to be funded with proceeds of the Series 2018 Bonds.

AUTHORIZE TAX ASSESSOR/COLLECTOR TO REQUEST CERTIFICATE OF ASSESSED VALUES AS OF JANUARY 1 FROM THE APPRAISAL DISTRICT

The Board considered authorizing the tax assessor/collector to request a Certificate of Appraised Value as of January 1, from the Fort Bend Appraisal District.

ENGAGEMENT LETTER WITH MCCALL, PARKHURST, & HORTON L.L.P., AS DISCLOSURE COUNSEL

The Board considered engaging McCall, Parkhurst, & Horton, L.L.P., as disclosure counsel in connection with the Series 2018 Bonds.

DISCLOSURE PURSUANT TO MUNICIPAL SECURITIES RULEMAKING BOARD REQUIREMENTS

There was no discussion on this agenda item.

ENGAGE RATING COMPANY

The Board considered engaging Moody's Investor Services to perform a credit rating analysis for the District's Series 2018 Bonds.

APPOINT PAYING AGENT/REGISTRAR

The Board discussed the paying agent/registrar for the Series 2018 Bonds.

APPOINT ESCROW AGENT

There was no discussion on this agenda item.

AUTHORIZE ADVERTISEMENT FOR SALE OF THE SERIES 2018 BONDS AND SCHEDULE BOND SALE

The Board then considered advertisement for sale of the Series 2018 Bonds and discussed an appropriate bond sale date.

ENGAGE AUDITOR TO PREPARE DEVELOPER REIMBURSEMENT REPORT

The Board considered engaging McCall Gibson Swedlund Barfoot PLLC to conduct a developer reimbursement report for the Series 2018 Bonds.

Following discussion, Director Pochyla 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) authorize the District's engineer to request the TCEQ inspection of facilities included in the Series 2018 Bonds; (3) authorize the tax assessor/collector to request the Certificate of Appraised Value as of January 1, from the Fort Bend Appraisal District; (4) engage McCall, Parkhurst, & Horton, L.L.P. as disclosure counsel; (5) engage Moody's Investor Service to perform a credit rating analysis for the District's Series 2018 Bonds; (7) appoint Bank of New York Mellon Trust Company as paying agent/registrar and escrow agent; (8) authorize advertisement for bids for the Series 2018 Bonds and schedule the bond sale for October 29, 2018 or a date the consultants recommend; and (9) engage McCall Gibson Swedlund Barfoot PLLC to conduct a developer reimbursement report for the Series 2018 Bonds. Director Jacks seconded the motion, which carried unanimously.

DISTRICT WEBSITE REVIEW

There was no update on the District website.

DEEDS AND EASEMENTS

There was no discussion regarding this agenda item.

PERIMETER LEVEE MATTERS AND NATIONAL ASSOCIATION OF FLOOD AND STORMWATER MANAGEMENT AGENCIES

There was no discussion regarding this agenda item.

FEDERAL EMERGENCY MANAGEMENT AGENCY ("FEMA") APPLICATIONS FOR FUNDING

Ms. Lutz reported the District's 2017 FEMA reimbursement request, in the amount of \$3,500.00, has been denied.

DISCUSS LEVEE IMPROVEMENT DISTRICT DIRECTOR CONTINUING EDUCATION REQUIREMENTS AND REVIEW DIRECTOR HOURS

Ms. Lutz stated the Fort Bend County conference on Lessons after Hurricane Harvey is scheduled for October 26, 2018.

ITEMS FOR NEXT AGENDA

There was no discussion regarding this agenda item.

NEXT MEETING DATE, INCLUDING DISCUSS SCHEDULE FOR IN-DISTRICT MEETINGS

The Board concurred to meet on October 29, 2018, at 12:00 p.m. at The George Foundation.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER

The Board determined that it was not necessary to meet in executive session.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING CONTEMPLATED LITIGATION OR SETTLEMENT OFFER

The Board did not convene in executive session.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072, TEXAS GOVERNMENT CODE, TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY

The Board determined it was not necessary to convene in executive session.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION
REGARDING THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL
PROPERTY

The Board did not convene in executive session.

There being no further business to discuss, the meeting was adjourned.



Erudja Jachs
Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Tax assessor/collector's reports.....	1
Bookkeeper's report and bills.....	2
Operator's report.....	3
Yellowstone Reseeding Estimate.....	4
Engineer's report.....	4