

MINUTES
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 20

March 5, 2019

The Board of Directors (the "Board") of Fort Bend County Levee Improvement District No. 20 (the "District") met in regular session, open to the public, on the 5th day of March, 2019, at 77 Sugar Creek Center Blvd., Suite 565, Sugar Land, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Jared Biermann	President
Jeff Singer	Vice President
David Hunter	Secretary

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

Also present at the meeting were Kelly Jurecek of Tax Tech, Inc.; Tyler Werlein of LID Solutions, LLC ("LID Sols"); Mary Ann Mihills of Municipal Accounts & Consulting; and Angie Lutz and Veronica Seguin of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

No public comments were received by the Board.

CONSENT AGENDA

Director Biermann offered Board members and consultants the opportunity to remove items from the consent agenda for individual discussion. Director Singer moved to approve the minutes from the October 11, 2018, November 28, 2018, and February 1, 2019, meetings; approve the bookkeeper's report and payment of bills and checks presented for payment; accept the annual disclosure statements of the bookkeeper and Investment Officer; adopt a Resolution Regarding Annual Review of Investment Policy; adopt a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions; adopt a Resolution Concerning Exemptions from Taxation; approve the tax assessor/collector's report and approve payment of tax bills; authorize the auditor to conduct an audit for the fiscal year end March 31, 2019; authorize any interested directors to attend the Association of Water Board Directors summer conference. Director Hunter seconded the motion, which passed unanimously. Copies of all the documents approved as part of the consent agenda are attached or filed appropriately in the District's records.

ITEMS REMOVED FROM CONSENT AGENDA

No items were removed from the consent agenda.

DISTRICT WEBSITE

Ms. Seguin updated the Board on the District website email and text subscribers.

BUDGET FOR FISCAL YEAR END MARCH 31, 2020

Ms. Mihills presented and reviewed a draft budget for the fiscal year end March 31, 2020, a copy of which is attached to the bookkeeper's report. After review and discussion, Director Singer moved to approve the budget for the fiscal year end March 31, 2020, as presented. Director Hunter seconded the motion, which passed unanimously.

ORDER ADOPTING AMENDED AND RESTATED PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

Ms. Lutz stated that, when the District issues bonds, the District enters into a continuing disclosure undertaking for the benefit of the bondholders. She added that the provisions of that undertaking require that the District comply with certain continuing disclosure requirements for its bonds. Ms. Lutz explained that the Board is ultimately responsible for continuing disclosure compliance for its bonds, with assistance by its consultants. She added that, in order to ensure that the District's procedures for continuing disclosure compliance are well documented, the Board has previously adopted such procedures in writing. Ms. Lutz stated that, because the United States Securities and Exchange Commission has amended its Rule 15c2-12, ABHR recommends that the District's written procedures be amended by the Board. She reviewed an Order Adopting Amended and Restated Procedures for Continuing Disclosure Compliance with the Board. Following review and discussion, Director Hunter moved to adopt the Order Adopting Amended and Restated Procedures for Continuing Disclosure Compliance and direct that the Order be filed appropriately and retained in the District's official records. Director Singer seconded the motion, which passed by unanimous vote.

EDUCATION/TRAINING COMPLIANCE STATUS FOR BOARD

Ms. Lutz reminded the Board of the guidelines for continuing education of levee improvement district directors which have been adopted by the Fort Bend County Commissioners' Court. After discussion, the Board directed ABHR to file any necessary Director education/training compliance documents with the Fort Bend County Drainage District.

AMENDMENT TO OPERATOR CONTRACT

Ms. Lutz presented and reviewed a First Amendment to Operation and Maintenance Service Contract between the District and LID Sols, reflecting an amended base operations fee rate due to contractor insurance requirements. After review and

discussion, Director Hunter moved to approve the First Amendment to Operation and Maintenance Service Contract between the District and LID Sols and direct it be filed appropriately and retained in the District's official records. Director Singer seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Mr. Werlein presented and reviewed an operator's report and a levee operations inspection report with the Board, copies of which are attached.

Discussion ensued regarding cow and hog damage to the District and potential remedies to the issue. Mr. Werlein discussed implantation of a grub to deter hogs accessing the levee. He stated the cost to apply grub treatment is approximately \$2,500 per acre. The Board requested Mr. Werlein bring recommendations for grubbing treatment and fencing proposals to the next meeting.

Mr. Werlein discussed upcoming operator training activities and exercises.

DEVELOPMENT IN THE DISTRICT

Mr. Humble reported on development in the District.

CONSENT TO ASSIGNMENT OF DEVELOPMENT FINANCING AGREEMENT

Ms. Lutz noted the 572-Three, Ltd. has assigned its certain District reimbursables pursuant to its Development Financing Agreement with the District to NewFirst National Bank. She then presented an Acknowledgement and Consent to Assignment if the District reimbursables between 572-Three, Ltd. and NewFirst National Bank. After review and discussion, Director Biermann moved to approve the Acknowledgement and Consent to Assignment and direct it be filed appropriately and retained in the District's official records. Director Singer seconded the motion, which passed, with Director Hunter voting against.

ENGINEERING MATTERS

Mr. Humble presented and reviewed an engineer's report, a copy of which is attached.

Mr. Humble reported on the potential raising of FM 723 by Fort Bend County. Discussion ensued regarding the necessity of the installation of an emergency access road to the District. Mr. Humble noted the emergency access road cannot be construction until Kingdom Heights, Section 5 is complete.

Ms. Lutz and Mr. Humble reviewed a Donation Deed between the District and Fort Bend County for a 0.1466-acre tract of land adjacent to the Wembley Way extension.

After review and discussion, and based on the engineer's recommendations, Director Hunter moved to (1) approve the engineer's report and (2) approve the Donation Deed, subject to Director Singer's review and approval and direct it be filed appropriately and retained in the District's official records. Director Singer seconded the motion, which passed unanimously.

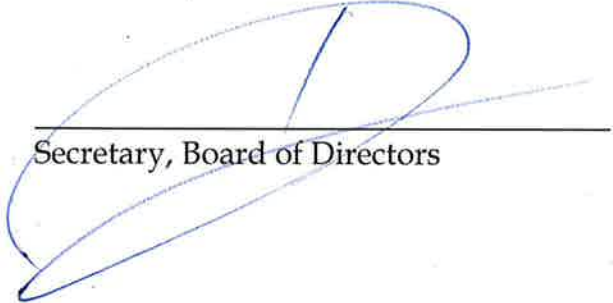
ANNEXATION OF PROPERTY INTO THE DISTRICT

Mr. Humble and Ms. Lutz discussed the annexation of approximately 20-acres into the District. Ms. Lutz recommended the Board accept a Petition for Addition of Certain Land. After discussion, Director Hunter moved to (1) authorize the engineer to prepare a feasibility study and survey the proposed annexation property; and (2) accept the Petition for Addition of Certain Land. Director Singer seconded the motion, which passed unanimously.

NEXT MEETING DATE

The Board concurred to meet again as needed.

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



Secretary, Board of Directors



LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
bookkeeper's report	1
tax assessor/collector's report	1
operator's and levee operations inspection reports	3
engineer's report	3