

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 118

Minutes of Meeting of the Board of Directors

December 12, 2017

The Board of Directors (“Board”) of Fort Bend County Municipal Utility District No. 118 (“District”) met at the office of the Greater Fort Bend EDC, One Fluor Daniel Drive, Sugar Land, Fort Bend County, Texas on December 12, 2017 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Dennis Rooney, President
Alex Reid Garrett, Vice President
Jaime Benoliel, Secretary
James Hines, Assistant Secretary
James A. Waltz, Director

and the following absent:

None.

Also present were Debbie Arellano, Breah Campbell, Dana Davis, Romain Barski, Chief Wooley, Michael Gurka, Tobin Synatschk, G. Taylor Goodall, Jr., and members of the public.

The President called the meeting to order and declared it open for such business as might properly come before it.

1. The Board considered the minutes of the meetings held on November 14, 2017 and November 28, 2017. After a brief review and discussion, upon motion duly made and seconded, the Board unanimously approved the minutes as presented.

2. The Board considered an update from the Pecan Grove Volunteer Fire Department. Chief Wooley provided a review of activity during the month and provided an update on the ISO certification and rating process.

3. The Board opened the floor for public comments. Dr. Keisha Antoine, representing Antoine Technical Consulting LLC, introduced herself to the Board, operators and engineer and noted that she is available to consult on certain operational matters. Sandra Cordenas presented the Board with a petition from 48 Waterside Village residents requesting more amenities on the Village side of the District.

4. The Board was presented with the tax assessor/collector’s report, copy attached. The District’s 2017 taxes are 4.8% collected and the District collected \$147,239.15 for the month. After further review and discussion, upon motion duly made and seconded, the Board unanimously approved the tax assessor/collector’s report as presented and authorized disbursement of the funds contained therein.

5. Breah Campbell presented an operator’s report, copy attached. District sidewalk repairs are almost completed and the District accounted for 97.8% of water produced.

Ms. Campbell reviewed the new bill format with the Board of Directors and there was discussion regarding removal of a dead tree from a utility easement. After deliberation, the Board tabled the decision regarding the dead tree in an effort to determine whether the tree actually died or was merely in a dormant state. A request for a bill adjustment was declined. After discussion, upon motion duly made, seconded and unanimously carried, the Board approved the operator's report as presented and authorized the District's operator to proceed with termination of utility service to said accounts pursuant to the provisions of the District's Rate Order, and approved the operator's report as presented.

6. The Board considered recent requests for revision of the District's Rate Order as made by Mr. David Strauss, representing an apartment developer within the District. The Board reviewed the information provided by Mr. Strauss as well as analysis regarding rates of both surrounding similarly situated District's and in comparison to the District's rates for other customer classes as provided by the District operator and engineer. After deliberation, the Board tabled the request for Rate Order revision indefinitely.

7. Dana Davis presented a bookkeeper's report, copy attached. The District's operating fund balance is \$2,913,326.45, and the capital projects fund balance is \$4,797,143.76. The District's debt service fund balance is \$2,819,599.70. After further review and discussion, upon motion duly made and seconded, the Board unanimously approved the bookkeeper's report as presented and authorized the disbursements of the funds contained therein.

8. The Board considered the operating budget for FYE December 31, 2018. The Board reviewed the budget with Dana Davis and made revisions in response to input from District Board members and consultants. After said revisions were incorporated in to the document, upon motion duly made and seconded, the Board unanimously adopted the FYE 2018 operating budget.

9. In the absence of a Champions Hydro-Lawn representative, the Board reviewed the report sent in advance of the meeting.

10. The Board considered the District park plan. Tobin Synatschk presented modifications incorporated by the engineers in response to discussions at the recent special meeting. The Board reviewed the modifications and requested that the engineers continue with their preparations for implementing the plan in line with recent discussions.

11. Tobin Synatschk and Michael Gurka presented an engineer's report, copy attached. The engineers continue to monitor the swimming pool discharge issues and after discussion, the Board approved issuance of two utility capacity no objection letters and a no objection letter for a requested re-plat. The Board discussed the engineers proposal to perform the TPDES permit application and, after deliberation, approved moving forward with the proposal as presented. The interconnect with Fort Bend County Municipal Utility District No. 146 is expected to be completed by the end of December and all repairs were successfully made to Remote Water Well No. 2 controls. The Board discussed the recent joint seal repair project and after deliberation, authorized additional joint seal repairs around Waterside Circle and Waterside Drive in an amount not to exceed \$10,000. Subject to that discussion, upon motion

duly made and seconded, the Board unanimously approved the engineer's report as presented and the recommendations contained therein.

12. The Board considered the naming of the District park in response to a request from the public at the last meeting. After deliberation it was decided that a resolution shall be placed on the January 2018 Board of Directors meeting agenda to officially name the District Park "Barski Park".

13. The Board considered participation in the Waterwise and Larry's Toolbox programs. After deliberation the Board declined participation in the Waterwise program but authorized participation in Larry's Toolbox program and requested that Breah Campbell take the lead in administering the program. Mr. Goodall's office will work with Ms. Campbell on the issue as needed.

14. The Board considered an update from the District's HOA. Mr. Ward provided an update on water conservation issues and noted that the HOA is working on surveying the irrigation system and having backflow prevention inspections performed. The next HOA meeting will be December 18, 2017.

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

/s/ Jaime Benoliel
Secretary