

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 118
Minutes of Meeting of the Board of Directors
June 11, 2019

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 June 11, 2019 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Jaime Benoliel, President
Alex Reid Garrett, Vice President
James Hines, Secretary
Christa Lawson, Assistant Secretary
Paula Blumenthal, Assistant Secretary

and the following absent:

Also present were Debbie Arellano, Breah Campbell, Dana Davis, Michael Gurka, Josh Wailes, Jerry Schroeder, Christina Brengel, 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 meeting held on May 14, 2019. After brief review and discussion, upon motion duly made and seconded, the Board unanimously approved the minutes as presented.

2. Chief Wooley presented a Pecan Grove Volunteer Fire Department's report and summarized the calls for the month.

3. The tax assessor/collector presented the tax assessor/collector's report, copy attached. The District's 2018 taxes are 99.2% collected and the District collected \$13,557.05 during the reporting period. After brief 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.

4. Breah Campbell presented an operator's report, copy attached. Ms. Campbell reviewed routine repairs and maintenance with the Board. The District maintained 1,393 connections and accounted for 102% of water produced. There was lengthy discussion regarding a recent TCEQ inspection and subsequent compliance letter. Ms. Campbell updated the Board on the response to the letter and assured the Board that her office is taking all necessary actions in response. 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.

5. Dana Davis presented a bookkeeper's report, copy attached. The District's debt service fund balance is \$4,613,417.42. The District's operating fund balance is \$3,393,663.78, and the capital projects fund balance is \$3,207,401.38. The District's park fund balance is

\$2,797,925.49. After brief 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.

6. The Board considered the ethics letter and update by the District's investment officer. Mr. Goodall reported that the Public Funds Investment Act requires the District's investment officer to file an annual ethics letter and disclosure update. It was noted that the District's bookkeeper/investment officer filed the necessary document noting that there were no ethical conflicts to disclose and that Mr. Goodall's office would file the letter as required by law.

7. Mr. Goodall then distributed Director Conflict Disclosures questionnaires for completion by members of the Board. The questionnaires indicated that the directors had no conflicts of interest to disclose.

8. Jerry Schroeder presented a report from Champions Hydro-Lawn, copy attached.

9. The Board reviewed a report from Mike Stone Associates, Inc. regarding park maintenance, copy attached.

10. Michael Gurka presented an engineer's report, copy attached. Payment Request No. 1 in the amount of \$26,008.20 to Division III + Constructors, Inc. for the Playground at Waterside Village Park project was recommended for approval. The engineers requested Board approval to advertise the jogging trail at Figure Four Lake Phase No. 3 project, contingent upon finalizing the construction drawings and specifications. Payment Request No. 9 in the amount of \$67,754.25 to R&B Group, Inc. for the reclaimed water project was recommended for approval. The engineers included a proposal for water plant improvements for the Board to review and consider. The engineers then requested Board approval on the Storm Water Management Program. Subject to that discussion, upon motion duly made and seconded, the Board unanimously approved the engineer's report as presented and the action items contained therein.

11. Mr. Goodall reported that, in advance of the next meeting, he will forward a proposed draft Agreement for Use of Reclaimed Water for Irrigation Purposes. The Board agreed to provide feedback via email and authorized filing the draft for TCEQ approval. Mr. Goodall noted that the Board will need to determine a rate to charge for irrigation water.

12. The Board considered an HOA report. There was discussion regarding the July 4th celebration. The Board reminded the HOA representatives that District property should be protected so as to avoid damage to the greenspace or other areas, as happened in 2018. Mr. Goodall's office will follow-up with the HOA regarding the required insurance certificate.

13. Reid Garrett updated the Board on the District website.

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


Secretary