

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 118
Minutes of Meeting of the Board of Directors
October 10, 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 October 10, 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, Jerry Schroeder, 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 meeting held on September 12, 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 gave an update noting that there were 65 total calls for the reporting period, including 20 within the District.
3. The Board opened the floor for public comments. Mr. Cho introduced himself as a resident on Figure Four Lake Court and presented informational rain flow charts describing the period of rainfall from Hurricane Harvey. Mr. Cho noted that he believes additional surveys of the District's surroundings are necessary and that a flood committee should be formed. In response to the statement, Director Benoliel explained that all District facilities are designed pursuant to federal, state, and local guidelines and Directors Waltz noted that most of the issues raised by Mr. Cho fall under the jurisdiction of Fort Bend County and are best addressed at the Commissioners Court meetings.
4. Debbie Arellano presented the tax assessor/collector's report, copy attached. The District's 2017 taxes are 0.002% collected and the District collected \$9,948.80 for the month. Ms. Arellano discussed delinquent tax collection and the Board approved all actions necessary to continue said collections. Subject to that 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 and Tracy Butcher presented an operator's report, copy attached. Mr. Butcher and Ms. Campbell reviewed the ongoing maintenance and substantial repairs and, after discussion, the Board unanimously approved replacing lift station No. 2 fence at a cost of \$13,750.00. In addition, the Board approved replacing the WWTP blower No. 1 soft start at a cost of \$5,970.00 and the HMI screen display at a cost of \$4,260.00. The Board reviewed two customer requests for adjustment and heard comments from Mr. Russell Rider and Mr. Uyi Osuan regarding their water bills. After discussion, the Board declined adjustments but instructed the operator to work with the residents regarding payment plans. 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. Dana Davis presented a bookkeeper's report, copy attached. The District's operating fund balance is \$2,995,649.95, and the capital projects fund balance is \$4,802,616.30. The District's debt service fund balance is \$2,764,313.37. The District's park fund balance is \$3,688,889.57. 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.

7. Mr. Goodall distributed informational memorandums regarding changes to the Public Funds Investment Act, recently enacted HB-89, recently enacted SB-252, and recently enacted SB-253. Mr. Goodall requested that any questions regarding the memos or compliance therewith be directed to his office.

8. The Board next considered the District's Investment Policy. In response to recent changes to the Public Funds Investment Act, and after a review and discussion, upon motion duly made, seconded and unanimously carried, the Board approved the attached Order Adopting Investment Policy.

9. Jerry Schroeder presented a Champions Hydro-Lawn written report, copy attached. After discussion, the Board approved the clearing of the drainage well adjacent to Harvest Green and Director Waltz presented information regarding drainage channel clean out and other clearing work. Director Waltz reviewed difference in the three proposals presented and noted that Champions Hydro-Lawn was the low bidder for the clean out of the east ditch. After discussion of the proposals, the Board unanimously authorized Champions Hydro-Lawn to clean out the east ditch as well as additional quarterly mowing and herbicide application for ongoing mowing.

10. Tobin Synatschk and Michael Gurka presented an engineer's report, copy attached. The engineers presented the results of the storm sewer system inspection and discussed the articulated block at Figure Four Lake that is in need of repair due to cypress tree root intrusion. Mr. Synatschk recommends that an arborist review the situation. The engineers recommended approval of Pay Request No. 4 and Final in the amount of \$79,757.25 for the

WWTP improvement project. There was discussion regarding Director Rooney's disappointment in the landscaping at the recently constructed parking lot. In particular, Director Rooney expressed disappointment in the grass around the parking lot and there was discussion regarding the replacement grass. After recommendation from the District's engineers, the Board approved an expenditure of \$22,000.00 for Remote Well No. 2 communication repair. In addition, there was discussion regarding repairs to the road joint seals. After discussion, the Board approved an expenditure of up to \$10,000.00 for the pavement seal replacements. Subject to that discussion, upon motion duly made and seconded, the Board unanimously approved the engineer's report as presented and approved Payment No. 4 and Final in the amount of \$79,757.25 in addition the other items previously approved.

11. The Board considered an update from the District Park Committee. Paula Blumenthal presented a Park Committee report and noted that the Committee met four times since the last meeting. The Committee formed subcommittees and, after discussion, the Committee representatives reiterated the fact that the splash pad subcommittee is satisfied with the proposed location. A pavilion subcommittee was formed and met in addition to a landscaping and playground subcommittee. The Committee hope to have draft proposals finished by October 20 and 21, 2017.

12. The Board considered a proposal from Whitney and Associates for appraisal services. Mr. Goodall reminded the Board that the purpose of the appraisal is to obtain an amount, as determined by an independent appraiser, to offer the HOA for the proposed splash pad site. In response to an inquiry from a member of the public, the Board inquired of the Park Committee representatives present as to whether the Park Committee was unanimous in its approval of the currently planned splash pad site. Members of the Park Committee present responded that the Park Committee was in agreement that the splash pad should be placed on the site as currently planned. Subject to that discussion, upon motion duly made and seconded, the Board unanimously approved the proposal as presented.

13. The Board considered an update from the District's HOA. Romain Barski approached the Board and requested that a District representative, potentially the District attorney, attend an upcoming HOA meeting in order to provide information about the District to the HOA members. It was noted that attendance at the upcoming meeting would not be appropriate as the HOA will be voting on Board members at said meeting. The District will consider the request at a later date.

14. The Board considered pending business. Director Waltz noted that the Park rules stipulate that the District parks are open from sunrise to sunset and discussed at length enforcement of the civil and criminal penalties associated with violation of Park rules. The Board authorized repair of a broken sidewalk and Director Waltz noted that approximately \$1,100.00 worth of post Harvey clean up expenses were performed including the replacement of an irrigation valve. Director Waltz explained that, in response to a request from a District resident, an additional \$800.00 per week was added to the mowing expenses in order to bag clippings, after discussion, the Board declined to continue the expenditure for the bagged clippings. Director Hines noted that he did not believe it was financially feasible to perform such bagging due to the request of one individual.

15. At 8:43 p.m. the Board entered in to an executive session pursuant to Texas Government Code §551.071 to consult with the District's attorney. At 8:57 p.m. the executive session ended.

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


Secretary