

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 118

Minutes of Meeting of the Board of Directors

June 12, 2018

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 12, 2018 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
Paula Blumenthal, Assistant Secretary
Christa Lawson, Assistant Secretary

and the following absent:

None.

Also present were David Woods, Debbie Arellano, Eli Hurtado, Dana Davis, Romain Barski, Michael Gurka, Tobin Synatschk, Jerry Schroeder, Whitney Milberger, Chief Joe Woolley, Jennifer B. Seipel, 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 8, 2018. After a brief review and discussion, upon motion duly made and seconded, the Board approved the minutes as presented.

2. Whitney Milberger approached the Board on behalf of the North Fort Bend Water Authority (the “Authority”). She stated that she is the head of the Authority’s Conservation and Outreach Program and thanked the Board for their participation in the Authority’s many educational programs.

3. Chief Woolley approached the Board with a report from the Pecan Grove Volunteer Fire Department. Mr. Woolley reported that the fire department received 26 calls during the prior month, most of which were heat-related. Mr. Woolley stated that the fire department’s new vehicle is expected to be ready by December.

4. There were no public comments.

5. The Board was presented with the tax assessor/collector’s report, copy attached. The District’s 2017 taxes are 99.5% collected. 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.

6. Eli Hurtado presented an operator's report, copy attached. Mr. Hurtado reviewed the routine and ongoing maintenance and regulatory information with the Board. Mr. Hurtado also presented a proposal from NTS Water and Wastewater Rental Specialists ("NTS") for the rental of a generator during the 2018 hurricane season (June through November) at a rate of \$500 per month. After discussion, upon motion duly made, seconded and unanimously carried, the Board approved the proposal from NTS and 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.

7. Ms. Seipel stated that the operator has or will submit the information required to comply with the emergency operations critical load status for District facilities.

8. Dana Davis presented a bookkeeper's report, copy attached. The District's operating fund balance is \$3,235,145.26, and the capital projects fund balance is \$4,737,180.88. The District's park fund balance is \$3,475,799.26. 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.

9. The Board considered the ethics letter and update by the District's investment officer. Ms. Seipel reported that the District's investment officer is required, on an annual basis, by the Public Funds Investment Act to file an 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 Ms. Seipel's office would file the letter as required by law.

10. Jerry Schroeder presented a written Champions Hydro-Lawn report, copy attached. He stated that all of the District's channels appear to be in good condition.

11. The Board considered District park facility matters. The Board continued its discussion of the park maintenance scope of work as prepared by former Director Rooney. Director Lawson stated that she sent an additional comment to the attorney's office late this morning, and Ms. Seipel stated that she would confirm that the comment was incorporated before the scope of work is sent to the engineers for the purpose of soliciting bids. The Board then considered the outstanding issue of a District resident's fence on District property, and it was decided that the matter should be tabled pending receipt of a quote to replace the fence. The Board considered the adoption of rules for the use of the splash pad. Upon motion made, seconded and unanimously carried, the Board approved the splash pad rules as presented.

12. With respect to acquisition of a fee simple site from Waterside Estates Community Association, Inc., Ms. Seipel stated that her office is waiting on the revised appraisal and hopes to have it at the next District meeting. Accordingly, the Board tabled further action on the matter.

13. Tobin Synatschk and Michael Gurka presented an engineer's report, copy attached. Mr. Synatschk and Mr. Gurka reviewed the report including the Waterside Village Park options. The engineers recommended awarding a contract for the Barski Park Trail Phase No. 1 to Division III + Constructors, Inc. in the amount \$97,471.60. During this discussion, Director Lawson inquired as to why the proposed trail was six-feet in width in certain areas. The engineers and Director Benoliel stated that the additional width is included in areas of the sidewalk adjacent to slopes or retaining walls for safety

reasons. Director Lawson proposed that the span of the sidewalk be uniformly five-feet in width. Upon motion made, seconded and carried, with Director Lawson voting nay, the Board approved award of the contract and installation of the jogging trail as presented. The engineers then presented and recommended for approval Pay Request No. 1 in the amount of \$16,794.00 and Change Order No. 1 reducing the contract amount by \$211.05 to Stone Castle Constructors, LLC for their work at the playground at Barski Park. Upon motion made, seconded and unanimously carried, the Board approved the pay estimate and change order as presented. The engineers then presented and recommended for approval Pay Request No. 1 in the amount of \$54,477.09 to Stone Castle Constructors, LLC for their work at the pavilion at Barski Park. Upon motion made, seconded and unanimously carried, the Board approved the pay estimate as presented. The engineers then presented and recommended for approval Pay Request No. 2 in the amount of \$34,768.49 to LG&G Construction, Inc. for their work at the splash pad at the swimming pool. Upon motion made, seconded and unanimously carried, the Board approved the pay estimate as presented. The engineers then requested authorization to conduct inspections of the District's aboveground storage tanks. The Board thoroughly discussed the benefits and necessity of conducting such inspections. Upon motion made, seconded and unanimously carried, the Board authorized the engineers to proceed with the inspections. After further review and discussion, upon motion duly made and seconded, the Board unanimously approved the engineers reports as presented.

14. The Board then discussed the North Fort Bend Water Authority Reuse Agreement. During this discussion, the engineers stated that they needed to make changes to the facilities identified in the Agreement. As such, the Board tabled consideration of the Agreement.

15. The Board considered an update from the District's HOA. David Woods noted that the June HOA meeting has been cancelled due to a lack of quorum. Mr. Woods also discussed the HOA's July 4th parade and fireworks show. With respect to the acquisition of HOA-owned property needed for the development of the Waterside Village Park, Mr. Woods stated that the HOA was still considering the sale of the Waterside Village Park land through a yearlong vote or a property swap in lieu of condemnation proceedings. Ms. Seipel stated that the District hopes to have an appraisal for the property at the District's next meeting.

16. The Board considered engagement of Arbitrage Compliance Specialists for the Series 2013 five-year report period. Upon motion duly made and seconded, the Board unanimously approved engagement as presented and acknowledged the accompanied HB 1295 form.

17. The Board considered pending business. Director Garrett discussed the content to be included on the District's website and requested feedback from other Directors. After discussion, the Board agreed to give the matter some thought and discuss at the next District meeting. The Board also discussed efforts to remove poison ivy located on District property.

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


Secretary