FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 118
Minutes of Meeting of the Board of Directors
August 14, 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 August 14, 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 Debbie Arellano, Breah Campbell, Dana Davis, Romain Barski, Tobin Synatschk, Michael Gurka, Julie Williams, 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 July 10, 2018. After brief review and discussion, upon motion duly made and seconded, the Board unanimously approved the minutes as presented.

2. The Board considered a report regarding the Pecan Grove Volunteer Fire Department. Chief Wooley noted that there were 81 calls for service during the reporting period.

3. The President opened the floor for public comments. Seeing none the President continued with the agenda.

4. The Board was presented with the tax assessor/collector's report, copy attached. The District's 2017 taxes are 99.7% collected. The District collected $2,605.87 for the month. Subject to 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. Julie Williams approached the Board and presented the attached 2018 tax rate recommendation. After review, upon motion duly made and seconded, the Board authorized advertisement of a $0.57 debt service and $0.11 operation and maintenance tax rate for a $0.68 total tax rate. It was noted that the $0.68 proposed tax rate represented an approximate $17.22 reduction to the average homeowners tax bill.

6. Breah Campbell presented an operator's report, copy attached. The ATS at the water plant was repaired and the 2017 CCR invoices were presented. Blower No. 1 at WWTP repair was completed and the SBR repairs are underway. Ms. Campbell reviewed the well performance tests and noted that there was 98.6% water accountability. The Board requested that Ms. Campbell look into specific sidewalk movement around District manholes and Ms. Campbell will review further and report her findings at the next meeting. 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.

7. Dana Davis presented a bookkeeper's report, copy attached. The District's debt service fund balance is $4,641,405.31. The District's operating fund balance is $3,204,339.11, and the capital projects fund balance is $4,750,346.49. The District's park fund balance is $3,310,477.93. 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. Jerry Schroeder presented a Champions Hydro-Lawn report, copy attached.

9. The Board considered park matters and proposals for District park maintenance service. Sherrie Knoepfel, representing Mike Stone Associates, Inc. approached the Board and provided a review of a written proposal as submitted by Mike Stone Associate, Inc., copy attached. The Board engaged in a question and answer session with Ms. Knoepfel. Marcus Campbell, representing Time and Season approached the Board and reviewed the Time and Season proposal, copy attached. The Board similarly engaged in a question and answer session with Mr. Campbell. After discussion, the Board tabled decision until the September Board meeting and asked that the item remain on the District's agenda. There was discussion regarding individuals trespassing within the construction area of the District trail project. The Board reviewed and approved a District resident notification letter and draft "No Trespassing" signs to be placed on the construction fencing. Director Hines requested that the letter be forwarded to individuals witnessed to be trespassing. Director Blumenthal presented security camera options. It was noted that all individuals, including Directors, shall not enter into the construction area unless on official District business and coordinated with an engineer to do so.

10. The Board considered an update on the acquisition of the tract for a District park to be located in Waterside Village, Romain Barski reported that the HOA forwarded the District's recent offer to the HOA attorney.

11. Tobin Synatschk and Michael Gurka presented an engineer's report, copy attached. There was an update regarding the jogging trail at Figure Four Lake Phase No.1 and upon motion duly made and seconded, the Board approved Change Order No. 2 to reduce the contract amount by $825.00 with Director Lawson opposed to the motion on the grounds that she was opposed to the contract project. The engineers then discussed the splash pad at the swimming pool and recommended payment of Pay Request No. 1 to Fun Abounds in the amount of $50,134.10 for the splash pad project. Upon motion duly made and seconded, the Board unanimously approved Pay Request No. 1 as presented. The Board then discussed the progress of the playground at Barski Park and the engineers recommended approval of Change Order No. 2 in the amount of $390.00 to Stone Castle Constructors, LLC. Upon motion duly made and seconded, the Board unanimously approved Change Order No. 2 as presented. The Board then discussed the parking lot at Barski Park, in particular the landscaping. After review of landscaping

proposals it was noted that the District should move forward with preventative maintenance but not tree trimming at this time. Michael Gurka will solicit additional quotes for landscaping, in particular tree trimming, the Board then discussed Village Park options. The engineers then turned the Board's attention to the MS4 permit and other engineering items. After discussion, upon recommendation of the engineers, the Board unanimously approved Change Order No. 1 to R&B Group, Inc. in the amount of $23,917.20 for turf replacement associated with the reclaimed water project. Subject to that discussion, upon motion duly made and seconded, the Board unanimously approved the engineer's report as presented.

12. The Board then discussed the need to have a special meeting to discuss the Capital Improvement Plan and Budget. After discussion, it was decided that a special meeting shall be held at the attorney's office on September 20, 2018 at 11:00 a.m.

13. Mr. Goodall reported that he would the like the District to authorize District attorneys and operators to make necessary SECO and critical load filings to the state of Texas as required by law. After a brief discussion, upon motion duly made and seconded, the Board unanimously authorized the filings to be made.

14. The Board considered an HOA report. Romain Barski noted that the next HOA meeting will be held on August 29, 2018. There was discussion regarding irrigation system issues as the Board had recently been made aware that certain irrigation systems watering District owned areas had been turned off. It was decided that Directors Benoliel and Garrett will reach out to HOA representatives regarding the irrigation issues. Director Garrett then noted that he is monitoring the situation regarding the repairs to the peninsula after damage done by the fireworks contractor on July 04, 2018. It was noted that the HOA requested to split the approximate $1,800.00 worth of repair costs with the District. Director Garrett is monitoring the situation.

15. The Board then considered the District website. It was noted that certain District documents should be removed from the HOA website and replaced with a link to the District website.

16. The Board considered an Arbitrage Compliance report for the Series 2010 Refunding Bonds. After review and discussion, upon motion duly made and seconded, the Board unanimously approved the engagement as presented.

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

Secretary