FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 118
Minutes of Meeting of the Board of Directors
October 9, 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 October 9, 2018 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Jaime Benoliel, President
James Hines, Secretary
Paula Blumenthal, Assistant Secretary
Christa Lawson, Assistant Secretary

and the following absent:

Alex Reid Garrett, Vice President

Also present were Debbie Arellano, Breah Campbell, Dana Davis, David Wood, Chief Wooley, Romain Barski, Tobin Synatschk, Michael Gurka, 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 11 and September 20, 2018. Subject to review and discussion, upon motion duly made and seconded, the Board unanimously approved the minutes as presented.

2. Chief Wooley gave a PGVFD update. 35% of the calls for the month originated in the District and there was discussion regarding placing information regarding the recent upgrade to the ISO 2 rating on the District website.

3. The President opened the floor for public comments. Shashi Reddy commented on the proposed Phase II of the District's trail project. The Board reminded those present that the plan for Phase II has yet to be finalized.

4. The Board was presented with the tax assessor/collector's report, copy attached. The District's 2018 taxes are 0.0% collected. The Board reviewed a delinquent tax report as presented. 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. The District served 1393 water connections and accounted for 94.9% of water produced. A customer request was reviewed and Ms. Campbell reviewed the regulatory information for the month. It was noted that the NFBWA will institute a rate increase in 2019 and Ms. Campbell reviewed use statistics for the electronic payment system. Ms. Campbell then reviewed the ongoing and routine maintenance items with the Board as well as the additional regulatory information. 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 debt service fund balance is $2,680,062.16. The District's operating fund balance is $3,135,325.42, and the capital projects fund balance is $3,996,616.92. The District's park fund balance is $3,056,365.10. 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. Jerry Schroeder presented a Champions Hydro-Lawn report, copy attached. It was agreed that the District should review the need to apply herbicide to the District lake area in May, 2019.

8. The Board reviewed the final proposed contract with Mike Stone Associates, Inc. for park maintenance. After discussion, the Board approved the contract as presented. The Board considered compensation for James Waltz for consultation services performed regarding mapping the District's irrigation system. Director Lawson noted her opposition to payment for the services as Mr. Waltz is not a licensed irrigator. Mr. Waltz reported that he merely helped map and survey the current irrigation system and performed no work on the system. Mr. Waltz also noted that there was a licensed irrigator present when work was performed on the system. Director Blumenthal voiced her support for compensating Mr. Waltz. Director Hines noted that he is not opposed to compensation but feels the amount requested is excessive. After further deliberation, the Board tabled the matter for further consideration at the next meeting. Mike Stone Associates, Inc. will have proposals for a comprehensive irrigation survey at the next meeting.

9. Mr. Goodall reported that the acquisition of the Waterside Village park continues and that he expects the District will be able to take possession by February, 2019.

10. The Board reviewed and commented on proposed rules for the Splash Pad. The engineer's office will procure a sign for posting the rules.

11. Tobin Synatschk and Michael Gurka presented an engineer's report, copy attached. The Board considered the jogging trail at Figure Four Lake and the playground at Barski Park. Upon recommendation from the District engineer, the Board authorized payment of Change Order No. 4 to Division III + Constructors, Inc. and Payment Request No. 3 & Final to Stone Castle Constructors, LLC. The Board then considered the splash pad at the swimming pool project. The Board declined to approve Pay Request No. 5 & Final to LG&G Construction for the splash pad site work. The Board then considered Pay Request No. 3 to Fun Abounds. After deliberation the Board declined payment. The Board then again considered the jogging trail at Figure Four lake. Upon deliberation and recommendation by the District engineers, the Board unanimously approved Pay Request No. 2 to Division III + Constructors in the amount of $11,846.70. The Board then considered engineering proposals for Phase II & III of the jogging trail project. After review, the Board approved moving forward with expenditure of $26,400 for geotechnical testing for Phase II & III. After deliberation regarding the advantages and disadvantages of moving forward with Phase II & III simultaneously, the Board tabled consideration of moving forward with the full engineering proposal. The Board then further reviewed the draft risk matrix as prepared by Director Lawson and agreed to continue to work with the engineers regarding feedback for the risk matrix. Upon recommendation by the engineers, the Board approved Pay Request No. 2 in the

amount of $158,432.85 to R&B Group for the reclaimed water project. After further discussion, upon motion duly made and seconded, the Board unanimously approved the engineers report.

12. The Board considered an HOA report. David Wood noted that the HOA continues to work on reviewing their irrigation system and repairs to the peninsula. District engineers agreed to look into an area of sidewalk within the District retaining water.

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

Secretary