

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 37

MINUTES OF MEETING OF BOARD OF DIRECTORS

July 15, 2015

The Board of Directors (the "Board" or the "Directors") of Fort Bend County Municipal Utility District No. 37 (the "District") met in regular session at 7:00 p.m., at 1301 Misty Bend, Katy, Texas 77494, on Wednesday, July 15, 2015, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code. The roll was called of the members of the Board, to-wit:

David A. Carp	President
Rudolph Ammer	Vice President/Co-Tax Compliance Officer
Larry W. Davis	Secretary/Investment Officer
Kenneth L. Comeaux	Treasurer/Co-Tax Compliance Officer
Stephen Berckenhoff	Assistant Secretary

All members of the Board were present, thus constituting a quorum. Also attending all or portions of the meeting were: Kim Shelnett of Myrtle Cruz, Inc. (the "Bookkeeper" or "MCI"), bookkeeper for the District; Jeff Sonnheim of Equi-Tax, Inc. (the "Tax Assessor/Collector" or "Equi-Tax"), tax assessor/collector for the District; Joe Williams of ST (the "Operator" or "ST"), operator for the District; Allen Perez with the Westheimer Parkway Project ("Developer"); Dave Ciarella with Enhanced Energy Services; and Alan P. Petrov of Johnson Petrov LLP (the "Attorney" or "JP"), attorneys for the District.

The President, after finding that the notice of the meeting was posted as required by law and determining that a quorum of the Board was present, called the meeting to order and declared it open for such business as may regularly come before it.

1. Public Comment. The President inquired whether there was any public comment concerning the business of the District. Mr. Ciarella provided information regarding his company, Enhanced Energy Services and described how his company works to negotiate electric rate contracts for its clients.

2. Approval of Minutes. The Board then considered approval of the June 17, 2015 regular meeting minutes. Upon motion by Director Ammer, seconded by Director Berckenhoff, after full discussion and with all Directors present voting aye, the Board approved such minutes as presented.

3. Bookkeeper's Report and Investment Report. Ms. Shelnutt presented the Bookkeeper's Report and Investment Report, copies of which are attached hereto as Exhibit "A".

a. Ms. Shelnutt first reviewed the written reports and responded to questions from the Board.

b. Next, Ms. Shelnutt reviewed the current and year-to-date revenue and expenditures against the District's budget for the fiscal year ending August 31, 2015.

c. Ms. Shelnutt then reviewed the proposed budget for the fiscal year ending August 31, 2016 (the "Budget"), a copy of which is attached hereto as Exhibit "A-1". The Board of Directors asked questions concerning the proposed budget and took the matter under advisement for action at next month's meeting.

Upon motion by Director Comeaux, seconded by Director Berckenhoff, after full discussion and with all Directors present voting aye, the Board approved the Bookkeeper's Report and Investment Report, as presented, and authorized payment of checks numbered 7530 through 7553 from the Operating Account.

4. Tax Assessor/Collector Report. The Tax Assessor/Collector's Report was presented by Mr. Sonnheim, a copy of which is attached hereto as Exhibit "B".

a. Mr. Sonnheim reviewed the written report and responded to questions from the Board.

b. The Tax Assessor/Collector's Report reflected that 97.9% of the 2014 taxes have been collected as of June 30, 2015.

Upon motion by Director Comeaux, seconded by Director Davis, after full discussion and with all Directors present voting aye, the Board approved the Tax Assessor/Collector's Report, as presented and authorized payment of check numbers 1997 thru 1998 from the Tax Account.

5. Operations Report. Mr. Williams then presented the Operations Report, a copy of which is attached hereto as Exhibit "C".

a. Mr. Williams reviewed the written report and responded to questions from the Board. Mr. Williams reported that 81.12% of the water pumped was accounted for during the previous month.

b. Update on Pulte Development connections. There was no update on the Pulte connections directly; however, Mr. Williams discussed the issue of water loss during the Pulte Construction that was traced to one (1) of their contractors. He stated that he has been working to calculate the water usage and has prepared an estimate for the Bookkeeper to use in billing Fort Bend County Municipal Utility District No. 185.

Upon motion by Director Davis seconded by Director Berckenhoff, after full discussion and with all Directors present voting aye, the Board approved the Operations Report.

6. Engineer's Report. Mr. Leyendecker was not in attendance. However, the topic of the possible agreement to annex the Westheimer Parkway project was discussed. Mr. Petrov stated that Mr. Perez had submitted a deposit last month and that he has been working with Mr. Perez. Mr. Perez next addressed the Board and stated that his land plan had changed slightly so that instead of several office condominiums their will only be one (1) office warehouse project. He further stated that he would work with Mr. Petrov and Mr. Leyendecker on an annexation and service agreement.

7. New Business.

a. Mr. Petrov then discussed with the Board the District's insurance renewal, which is due next month. As the District had recently received proposals it was determined not to request additional insurance proposals this year.

b. Annual Review of Emergency Water Supply Agreement with the City of Katy. No action was needed or taken.

c. Mr. Petrov next presented an Order Authorizing Additional Meeting Place Outside the Boundaries of the District and Designating an additional Repository of District Records, at the office of Johnson Petrov LLP, located at 2929 Allen Parkway, Suite 3150, Houston, Harris County, Texas, a copy of which is attached as Exhibit "D." Mr. Petrov explained that the additional location is the result of the relocation of his office. Upon motion by Director Comeaux, seconded by Director Ammer, after full discussion and with all Directors present voting aye, the Board approved a Resolution Authorizing Additional Meeting Place Outside the Boundaries of the District and Designating an additional Repository of District Records.

8. Old Business.

a. Status of maintenance at Kay Mills Berm. There was no update at this time.

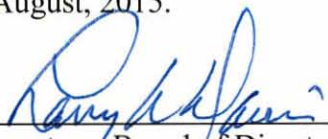
b. Status of Relocating Street Light(s) – Pin Oak Village and Mills Pointe. There was no update at this time.

c. Status of Committee exploring options with the City of Katy. Director Ammer reported that the Committee has heard back from the City of Katy that the City is not interested in exploring a change in ETJ or possible annexation at this time. He stated that he has not received an explanation for this, but will be attempting to obtain more information.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.



RESOLUTION PASSED and APPROVED this 19th day of August, 2015.


Secretary, Board of Directors

EXHIBITS:

- A - Bookkeeper's Report and Investment Report
- A-1- Draft budget for the fiscal year ending August 31, 2016
- B - Tax Assessor/Collector's Report
- C - Operations Report
- D - Order Authorizing Additional Meeting Place Outside the Boundaries of the District and Designating an additional Repository of District Records