

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 37**

**MINUTES OF MEETING OF BOARD OF DIRECTORS**

**APRIL 18, 2018**

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, April 18, 2018, 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:

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

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; Bob Ring of Inframark (the "Operator" or "Inframark"), operator for the District; David Leyendecker of Clay & Leyendecker, Inc. (the "Engineer"); Alan P. Petrov of Johnson Petrov LLP (the "Attorney" or "JP"), attorneys for the District; Logan Creason representing AT&T; and residents of 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 first opened the meeting to public comment concerning the business of the District. A resident reported that the consensus is that the neighborhood does not want the cell tower. Next, Mr. J.D. Schuck reported that the Costello report is now out. He stated that the pond is not built to the specifications of the original agreement based on his review. Finally, Mr. Creason described the request of AT&T for shared access to their site using the District's easement.

2. Approval of Minutes. The Board then considered approval of the March 21, 2018 regular meeting minutes. Upon motion by Director Comeaux, seconded by Director Carp, after full discussion and with all Directors present voting aye, the Board approved the minutes as presented.

3. Bookkeeper's Report and Investment Report. Ms. Shelnett reviewed with the Board the Bookkeeper's Report and Investment Report, copies of which are attached hereto as Exhibit "A".

a. Ms. Shelnett first reviewed the written reports and responded to questions.

b. Ms. Shelnutt then reviewed the current and year-to-date revenue and expenditures against the District's budget for the fiscal year ending August 31, 2017.

Upon motion by Director Berckenhoff, seconded by Director Carp, after full discussion and with all Directors present voting aye, the Board approved the Bookkeeper's Report and Investment Report, as presented, authorized payment of checks numbered 1145 through 1165 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 96.6% of the 2017 taxes had been collected as of March 31, 2018.

c. The Board reviewed the Delinquent Tax Report prepared by the Mastriani Law Firm, a copy of which is attached hereto as Exhibit "B-1."

Upon motion by Director Comeaux, seconded by Director Ammer, 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 2162 thru 2171 from the Tax Account and the Delinquent Tax Report.

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

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

b. Next, Mr. Ring presented and reviewed a draft copy of the 2017 Drinking Water Quality Report (the "CCR"), a copy of which is attached hereto as Exhibit "C-1".

c. Mr. Ring also requested the Board's approval to replace the motor and transfer switch and authorization to check the Quadvest Lift Station once a month.

Upon motion by Director Comeaux seconded by Director Berckenhoff, after full discussion and with all Directors present voting aye, the Board approved i) the Operations Report; ii) authorized termination of service to four (4) delinquent accounts pursuant to the District's Rate Order; iii) approved the motor and transfer switch and authorized Inframark to check the Quadvest Lift Station once a month; and iv) authorized the operator to distribute the CCR.

6. Engineering Report. Mr. Leyendecker reported on the current development in the vicinity of the District. He also reported that he would work with Inframark to write a letter to the Texas Commission on Environmental Quality regarding the ammonia violations. He responded to questions from the Board.

Upon motion by Director Comeaux seconded by Director Ammer, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report.

7. New Business.

a. Emergency Response Procedures The Board reviewed the emergency response procedure. No action was taken.

b. WCA's annual rate adjustment. The Board reviewed the rate adjustment provided by WCA, a copy is attached hereto as Exhibit "D". Mr. Petrov noted that the annual adjustment is in accordance with WCA's contract.

8. Old Business.

a. Update on Request for Shared Access. After considering the request by AT&T to utilize the District's easement, the Board denied the request for shared access as it would place an undue burden on the neighborhood from truck traffic and could damage the District access to the water plant.

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

SIGNED, PASSED and APPROVED this 16<sup>th</sup> day of May, 2018.

[DISTRICT SEAL]



  
Secretary, Board of Directors

EXHIBITS:

- A - Bookkeeper's Report
- B - Tax Assessor/Collector's Report
- B-1- Delinquent Tax Report
- C - Operations Report
- C-1- Draft 2017 Drinking Water Quality Report
- D - WCA's Annual Rate Adjustment Notification