

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 37

MINUTES OF MEETING OF BOARD OF DIRECTORS

SEPTEMBER 15, 2021

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, September 15, 2021, 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:

Rudy Ammer	President
Larry W. Davis	Vice President
Kenneth L. Comeaux	Secretary
Greg Murray	Assistant Secretary
Stephen Berckenhoff	Treasurer

All members of the Board were present, except for Director Comeaux, thus constituting a quorum. Also attending were Kim Shelnett of Myrtle Cruz, Inc. (the "Bookkeeper" or "MCI"), bookkeeper for the District; Russ Davis of Equi-Tax, Inc. (the "Tax Assessor/Collector" or "Equi-Tax"), tax assessor/collector for the District; Bob Ring and Robert Lugo of Inframark (the "Operator" or "Inframark"), operator for the District; Jon Strange P.E. of JNS Engineers, engineer for the District ("Engineer"); Alan P. Petrov of Johnson Petrov LLP (the "Attorney" or "JP"), attorneys for the District; the Assistant County Engineer; Allen Perez with the Westheimer Parkway Project ("Developer"); Ben St. Martin with Canterbury Development; and several residents.

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.

Residents commented on the condition of the drainage ditches. The Board noted that some of the ditches in question are the responsibility of either Fort Bend County or the City of Katy. A resident inquired about fees on the water bill and the Board explained the various fees and why they are included. The Assistant County Engineer asked if there is interest in providing a space for a tower for traffic signal control at the District's wastewater plant. The Board expressed an interest in working with Fort Bend County and asked the District's engineer to review the request. There being no further public comment the Board President proceeded with the regular agenda.

2. Approval of Minutes. The Board next considered approval of the meeting minutes of August 18, 2021, which were previously distributed to the Board.

Upon motion by Director Berckenhoff, seconded by Director Davis, 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. Shelnutt previously distributed the Bookkeeper's Report and Investment Report, copies of which are attached hereto as Exhibit "A". She reviewed the written report and responded to questions. Discussion ensued.

a. Ms. Shelnutt next reviewed current and year-to-date revenue and expenditures against the District's budget for the fiscal year ending August 31, 2022.

Upon motion by Director Berckenhoff, seconded by Director Murray, after full discussion and with all Directors present voting aye, the Board approved 1) the Bookkeeper's Report and Investment Report, as presented, and 2) authorized payment of checks numbered 2228 through 2249 from the Operating Account.

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

a. Mr. Davis reviewed with the Board the Tax Assessor/Collector's Report. He also responded to questions from the Board.

b. Mr. Davis next reported that 91.6% of the 2020 taxes had been collected as of August 31, 2021.

Upon motion by Director Murray, seconded by Director Berckenhoff, after full discussion and with all Directors present voting aye, the Board 1) approved the Tax Assessor/Collector's Report, as presented and 2) authorized payment of check numbers 2335 thru 2338 from the Tax Account.

c. Delinquent Tax Report. Mr. Davis then presented the proposal from Thornhill Law Firm to write-off four (4) accounts totaling \$216.00, a copy of which is attached hereto as Exhibit "B-1".

Upon motion by Director Berckenhoff, seconded by Director Murray, after full discussion and with all Directors present voting aye, the Board approved the Delinquent Tax Attorney Report, including writing off four (4) accounts totaling \$216.00.

d. Public Hearing. The President opened the public hearing on the 2021 tax rate at 7:30 p.m., reporting that the notice of which was published, as required, in the Katy Times for seven (7) days prior to the meeting, a copy of which is attached hereto as Exhibit "B-2". The President asked if there was any comment from the public.

There was no public comment on the tax rate. The President closed the public hearing at 7:34 p.m.

e. Order Setting Rate and Levying Tax for 2021. The Board next considered the Order Setting Rate and Levying Tax for 2021 which proposes a total ad valorem tax rate of \$0.5098 per \$100 assessed valuation for maintenance and operation purposes only, a copy of which is attached as Exhibit "B-3."

Upon motion by Director Murray, seconded by Director Davis, after full discussion and with all Directors present voting aye, with a total ad valorem tax rate of \$0.5098 per \$100 assessed valuation for maintenance and operation purposes only.

f. Amended District Information Form. The Board then discussed approval of an Amended District Information Form, a copy of which is attached hereto as Exhibit "B-4", which is required to be amended to show the current tax rate, any outstanding debt, of which there is none, and the Notice to Purchasers form, and is to be recorded in the Fort Bend County Real Property Records (the "FBCRPR") and filed with the Texas Commission on Environmental Quality (the "TCEQ").

Upon motion by Director Davis, seconded by Director Murray, after full discussion and with all Directors present voting aye, the Board approved the Amended District Information Form, and authorized JP to record same in the FBCRPR and file it with the TCEQ, as required by law.

g. Order Appointing Tax Assessor Collector. The Board next considered appointing a Tax Assessor/Collector for collection of 2021 taxes, a copy of which is attached hereto as Exhibit "B-5".

Upon motion by Director Murray, seconded by Director Berckenhoff, after full discussion and with all Directors present voting aye, the Board adopted the Order Appointing Tax Assessor/Collector, appointing Equi-Tax, Inc. as Tax Assessor/Collector for the District.

h. Resolution Concerning Tax Collection Procedures. The Board next consider adopting the Resolution Concerning Tax Collection Procedures, a copy of the resolution is attached hereto as Exhibit "B-6".

Upon motion by Director Davis, seconded by Director Berckenhoff, after full discussion and with all Directors present voting aye, the Board voted to adopt the Resolution Concerning Tax Collection Procedures, thereby rejecting the optional tax payment options.

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

a. Mr. Ring reviewed the current operations in the District with the Board and answered questions. Mr. Ring also reported fourteen (14) delinquent accounts scheduled for termination due to non-payment of water and sewer bills. No members of the public wished to comment on termination of water for non-payment of the water and sewer bills.

Upon motion by Director Berckenhoff, seconded by Director Murray, after full discussion and with all Directors present voting aye, the Board 1) approved the Operations Report; and 2) authorized the termination of service to fourteen (14) delinquent accounts pursuant to the District's Rate Order.

6. Engineer's Report. Mr. Strange presented the Engineer's Report, a copy of which is attached hereto as Exhibit "D".

a. Mr. Strange updated the Board on the current engineering activities in the District and responded to questions from the Board.

b. Mr. Strange reported that Ben St. Martin with Canterbury Development has requested capacity from the District. Mr. St. Martin spoke at this time and asked what it would take to receive utility service from the District for a tract on Westheimer Parkway. The Board responded that it might be possible but that he would need to submit a specific request with a deposit for the District's engineer to review the feasibility.

c. Mr. Strange then updated the Board regarding the Wastewater Rehabilitation Project.

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

7. City of Katy Emergency Services Monthly Stat Report. The Board reviewed the Stat Report. No action was taken.

8. New Business/Annual Agenda.

a. AWBD Mid-Winter Conference.

The Board then considered attendance at the Association of Water Board Directors – Texas (the "AWBD") the 2022 Mid-Winter Conference, Friday, January 28 thru Saturday, January 29, in Galveston, Texas.

Upon motion by Director Berckenhoff, seconded by Director Davis, after full discussion and with all Directors present voting aye, the Board authorized the Directors' attendance to the AWBD 2022 Mid-Winter Conference, Friday, January 28 thru Saturday, January 29, in Galveston, Texas.

b. Amend Rate Order. This item was tabled.

c. Assignment of Westside Water Contract to Quadvest, L.P. This item was tabled.

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

SIGNED, PASSED and APPROVED this 20th day of October, 2021.

[DISTRICT SEAL]


Secretary, Board of Directors

EXHIBITS:

- A - Bookkeeper's Report
- B - Tax Assessor/Collector's Report
- B-2- Tax Rate Publication Notice
- B-3- Order Setting Rate and Levying Tax for 2021
- B-4- Amended District Information Form
- B-5- Order Appointing Tax Assessor Collector
- B-6- Resolution Concerning Tax Collection Procedures
- C - Operations Report
- D - Engineer's Report

