

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

**MINUTES OF MEETING OF BOARD OF DIRECTORS**

**March 18, 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, March 18, 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:

Stephen Berckenhoff	President
David A. Carp	Vice President
Rudolph Ammer	Secretary
Larry W. Davis	Treasurer/Investment Officer
Kenneth L. Comeaux	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; David Leyendecker, of Clay & Leyendecker, Inc., the District's Engineer; John Cassidy, resident of the District and member of the Home Owner's Association; Carl "Bo" Egbert, Municipal Account Executive, Waste Corporation of Texas, L.P. ("WCA") 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. Cassidy stated that another resident had informed him that a tree that is growing behind the resident's fence and that the tree is now pushing the back of his fence. The Board informed Mr. Cassidy that this is not a MUD related issue.

Next, another resident at 1803 Breezy Bend expressed a concern about the dilapidated fence across the right-of-way at Breezy Bend. The Board inquired about the cost to replace that section of the fence and tabled this item until the April Board of Directors meeting.

2. Approval of Minutes. The Board then considered approval of the February 18, 2015 regular meeting minutes. Upon motion by Director Ammer, seconded by Director Davis, 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.

Upon motion by Director Ammer, seconded by Director Comeaux, 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 7435 through 7455 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 95.6% of the 2014 taxes have been collected as of February 28, 2015.

Upon motion by Director Davis, seconded by Director Comeaux, 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 checks numbered 1981 and 1987 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.

b. Mr. Williams reported that 91.24% of the water pumped was accounted for during the previous month. The Board asked Mr. Williams to check the water meter at the gas plant and confirm that it is reading properly.

c. Mr. Williams reported sixteen (16) delinquent accounts delinquent accounts for non-payment of water and sewer bills and one (1) collection account.

Upon motion by Director Davis seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board approved the Operations Report, as presented including, authorizing termination of service to sixteen (16) delinquent accounts pursuant to the District's Rate Order, and to authorize turning over one (1) account to collections.

6. Engineer's Report. Mr. Leyendecker reviewed a letter dated March 18, 2015 regarding the Allen Perez Project, a copy of which is attached hereto as Exhibit "D". Mr. Leyendecker stated that he met with Mr. Allen Perez, developer of the Westheimer Parkway

Project. Mr. Leyendecker further stated that Mr. Perez requested information concerning the availability of service and expressed a desire to be annexed by the District. Mr. Leyendecker stated that he provided Mr. Perez with the requested information, but recommended that a Letter of Intent outlining the annexation requirements be drafted.

Upon motion by Director Carp seconded by Director Davis, after full discussion and with all Directors present voting aye, the Board authorized Mr. Petrov to prepare a Letter of Intent outlining the annexation requirements.

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

7. Old Business.

a. Status of contract extension with WCA for Garbage Collection. Mr. Egbert discussed with the Board the possibility of automated waste collection in the future, but noted that it would not provide a cost savings to the District at this time. The Board discussed keeping the service as is and made no change to the type of service currently being provided.

b. Status of maintenance of Katy Mills Berm and proposed Katy Mills Management District. There was no update at this time.

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

d. Status of Committee Exploring Options with the City of Katy. The Board discussed options with the City of Katy. Mr. Petrov explained the process required to change the extraterritorial jurisdiction of the District to the City and recommended that the committee set-up a meeting with the City of Katy.

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

SIGNED, PASSED and APPROVED this 15th day of April, 2015.



  
Secretary, Board of Directors

EXHIBITS:

- A - Bookkeeper's Report and Investment Report
- B - Tax Assessor/Collector's Report
- C - Operations Report
- D - Leyendecker Letter dated March 18, 2015