

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 37

MINUTES OF MEETING OF BOARD OF DIRECTORS

JULY 15, 2020

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, 2020, 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
Rudy Ammer	Vice President/Investment Officer/Co-Tax Compliance Officer
Larry W. Davis	Secretary
Kenneth L. Comeaux	Assistant Secretary
Greg Murray	Treasurer

All members of the Board were present, thus constituting a quorum. Also attending either in person or by Teleconference were Kim Shelnett of Myrtle Cruz, Inc. (the "Bookkeeper" or "MCI"), bookkeeper for the District; David Ferrier 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; and Alan P. Petrov of Johnson Petrov LLP (the "Attorney" or "JP"), attorneys for the District; Allen Perez with the Westheimer Parkway Project ("Developer"); and Steve Sturcell with WCA.

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.

There being no public comment, the President directed the Board to proceed with the agenda.

2. Approval of Minutes. The Board next considered approval of the regular meeting minutes of June 16, 2020, which was previously distributed to the Board. Upon motion by Director Comeaux, seconded by Director Murray, after full discussion and with all Directors present voting aye, the Board approved the minutes subject to a correction.

3. Bookkeeper's Report and Investment Report. Ms. Shelnett 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. Shelnett first reviewed the written report and responded to questions from the Board.

b. Ms. Shelnett next reviewed current and year-to-date revenue and expenditures against the District's budget for the fiscal year ending August 31, 2020.

c. Ms. Shelnutt then reviewed a proposed draft of the budget for the fiscal year ending August 31, 2021, a copy of which is attached hereto to the Bookkeeper Report.

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, authorized payment of checks numbered 1892 through 1921 from the Operating Account.

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

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

b. Mr. Ferrier next reported that 99.0% of the 2019 taxes had been collected as of June 30, 2020.

c. Mr. Ferrier then presented and reviewed the Delinquent Tax Attorney Report prepared by The Thornhill Law Firm, P.C., a copy of which is attached hereto as Exhibit "C". He also responded to questions from the Board. The Board would like the Delinquent Tax Attorney to wait on the termination of service for non-payment of taxes until further notice from the Board.

Upon motion by Director Davis, seconded by Director Murray, 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 2274 from the Tax Account and the Delinquent Tax Attorney Report.

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

a. Mr. Ring reviewed the current operations in the District with the Board and answered questions. Next, Mr. Ring also reported there were fourteen (14) delinquent accounts. Next, the Board discussed the leak detection report. Director Berckenhoff requested that the Operator focus attention on leak detection and water accountability and reminded the Operator that this was an expectation of the Board.

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.

6. Engineering Report. No updated at this time as Mr. Leyendecker was not present at tonight's Board meeting.

Mr. Perez reported that his engineer has submitted plans to the City of Houston for approval. He plans to start construction in the fourth quarter of the year.

7. New Business.

a. Discussion of Insurance Renewal. The Board instructed Johnson Petrov to obtain the insurance renewal proposal from Arthur J. Gallagher & Co. and to distribute same to

the Board. Should the rate increase, if any, be significant, the Board instructed Johnson Petrov to obtain additional insurance proposals.

b. Annual review of Emergency Water Supply with the City of Katy. No action was deemed necessary.

8. Old Business.

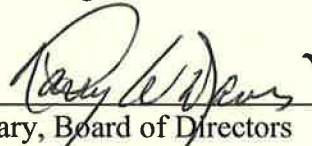
a. Update on Fire Protection Services with the City of Katy (the "City").

Mr. Petrov reviewed an Agreement for Emergency Services with the City of Katy (the "Agreement"), copies of which were previously distributed to the Board. Discussion ensued. The Board discussed the possibility of being included in Katy's ETJ and directed Johnson Petrov to make certain revisions to the draft Agreement.

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

SIGNED, PASSED and APPROVED this 19th day of August, 2020.

[DISTRICT SEAL]


Secretary, Board of Directors

EXHIBITS:

- A - Bookkeeper's Report
- B - Tax Assessor/Collector's Report
- C - Delinquent Tax Attorney Report
- D - Operations Report

