

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 37

MINUTES OF MEETING OF BOARD OF DIRECTORS

FEBRUARY 24, 2021

The Board of Directors (the "Board" or the "Directors") of Fort Bend County Municipal Utility District No. 37 (the "District") met in special session at 7:00 p.m., via Teleconference on Wednesday, February 24, 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:

Stephen Berckenhoff	President
Rudy Ammer	Vice President
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 Shelnutt 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; Alan P. Petrov of Johnson Petrov LLP (the "Attorney" or "JP"), attorneys for the District; David Stark, a resident of the District, Ray Young, P.E. of Water Engineers, Inc., and Jon Strange P.E. of JNS Engineers.

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.

Mr. David Stark thanked the Board for keeping the water on and complemented the Board on the good job of managing the District.

2. Approval of Minutes. The Board next considered approval of the regular meeting minutes of January 20, 2021, which were previously distributed to 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 minutes as presented.

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

b. Ms. Shelnutt next reviewed current and year-to-date revenue and expenditures against the District's budget for the fiscal year ending August 31, 2021.

Upon motion by Director Comeaux, seconded by Director Murray, 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 2065 through 2083 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 72.4% of the 2020 taxes had been collected as of January 31, 2021.

c. Next, the Board reviewed and considered approval of the Order Determining Ad Valorem Tax Exemptions. Mr. Petrov reminded the Board of the current tax exemptions, including homestead exemptions, exemptions for residents 65 years of age and older, and exemptions for disabled residents. In previous years, the Board granted a homestead exemption of 20% of the appraised value or \$5,000, whichever is greater; a \$10,000 exemption for disabled persons and for persons 65 years of age or older; an exemption for travel trailers with certain size restrictions; and exemptions for certain real and personal property owned by qualified charitable organizations.

Upon motion by Director Murray, seconded by Director Davis, after full discussion and with all Directors present voting aye, the Board agreed to retain the same exemptions as the previous year, and to adopt an Order Determining Ad Valorem Tax Exemptions, a copy of which is attached hereto as Exhibit "B-1".

d. Mr. Petrov then presented and reviewed a Resolution Authorizing Petition Challenging Appraisal Records for the Tax Assessor/Collector to represent the District in filing a protest with the Fort Bend Central Appraisal District ("FBCAD"), a copy of which is attached as Exhibit "B-2". Mr. Petrov stated that this will allow Equi-Tax to represent the District in matters before FBCAD.

Upon motion by Director Davis, seconded by Director Murray, after full discussion and with all Directors present voting aye, the Board approved the Resolution Authorizing Petition Challenging Appraisal Records, as presented.

e. The Board then reviewed the Resolution Implementing Penalty on 2020 Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Taxes, a copy of which is attached hereto as Exhibit "B-3".

Upon motion by Director Ammer, seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board approved the Resolution

Implementing Penalty on 2020 Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Taxes.

f. The Board reviewed the Delinquent Tax Collection Report attached hereto as Exhibit "B-4", prepared by Thornhill Law Firm with the Board and noted that one (1) account remained unpaid, and one account was terminated.

Upon motion by Director Ammer, seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board 1) approved the Tax Assessor/Collector's Report, as presented 2) authorized payment of check numbers 2302 thru 2309 from the Tax Account and 3) approved the Delinquent Tax Attorney Report, including water service termination for the remaining unpaid account.

5. Operations Report. Next, 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.

b. Next, Mr. Ring also reported there were eight (8) 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.

Director Berckenhoff inquired about Westside water billing. Mr. Ring stated that he was reviewing the water consumption issue and believed that Westside had been underbilled. Director Berckenhoff stated that this needs to be a priority of the Operator and asked for a determination by the March Board meeting.

Upon motion by Director Davis, seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board 1) approved the Operations Report; and 2) authorized termination of service to eight (8) delinquent accounts pursuant to the District's Rate Order.

6. New Business.

a. The Board discussed the engineering needs for the District and reviewed information from both Water Engineers, Inc. and JNS Engineers. Director Berckenhoff stated that he believed that the District would be best served by having an engineering firm such as JNS Engineers that was familiar with the area and the District to serve as the District's Engineer, but also engaging a firm such as Water Engineers, Inc. to that specializes on wastewater treatment plants to work on the District's wastewater treatment plant project. Discussion ensued.

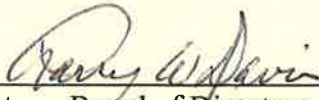
Upon motion by Director Ammer, seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board authorized negotiations with JNS Engineers as the District's Engineer and requested proposals from Water Engineers, Inc. regarding the wastewater treatment plant project.

The Board next discussed the termination the engineering services contract provided by Clay & Leyendecker. Upon motion by Director Comeaux, seconded by Director Ammer, after full discussion and with all Directors present voting aye, the Board terminated the engineering services provided by Clay & Leyendecker effective immediately and authorized the District's attorney to notify Clay & Leyendecker.

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

SIGNED, PASSED and APPROVED this 17th day of March, 2021.

[DISTRICT SEAL]


Secretary, Board of Directors



EXHIBITS:

- A - Bookkeeper's Report
- B - Tax Assessor/Collector's Report
- B-1- Order Determining Ad Valorem Tax Exemptions
- B-2- Resolution Authorizing Petition Challenging Appraisal Records
- B-3- Resolution Implementing Penalty on 2020 Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Taxes
- B-4- Delinquent Tax Attorney Report
- C - Operations Report