

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 37

MINUTES OF MEETING OF BOARD OF DIRECTORS

FEBRUARY 15, 2023

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, February 15, 2023, 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
Kenneth L. Comeaux	Vice President
Greg Murray	Secretary
Stephen Berckenhoff	Assistant Secretary
Jeff Gilliland	Treasurer

All members of the Board were present, thus constituting a quorum. Also attending were Kim Shelnett of Myrtle Cruz, Inc. (the "Bookkeeper" or "MCI"), bookkeeper for the District; Lucian Landreville of Equi-Tax, Inc. (the "Tax Assessor/Collector" or "Equi-Tax"), tax assessor/collector for the District; Clay Brandenburg and Randy Davila of Inframark (the "Operator" or "Inframark"), operator for the District; Jon Strange P.E. of JNS Engineers, engineer for the District ("Engineer"); Joseph "Will" Petrov of Johnson Petrov LLP (the "Attorney" or "JP"), attorneys for the District; Allen Perez with the Westheimer Parkway Project ("Developer"); Mark Vogler of Fort Bend Drainage 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.

Ms. Shelnett entered the meeting at this time.

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 January 18, 2023, which were previously distributed to the Board.

Upon motion by Director Berckenhoff, seconded by Director Murray, after full discussion and with all Directors present voting aye, the Board approved regular meeting minutes of January 18, 2023 as presented.

3. Bookkeeper's Report and Investment Report. Ms. Shelnett previously distributed the Bookkeeper's Report and Investment Report, copies of which are attached hereto as

Exhibit "A". Ms. Shelnutt reviewed the written report and responded to questions. Discussion ensued.

Upon motion by Director Berckenhoff, seconded by Director Gilliland, 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 from the Operating Account and Central Bank.

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

a. Mr. Landreville reviewed with the Board the Tax Assessor/Collector's Report. He also responded to questions from the Board. Mr. Landreville next reported that 77.2% of the 2022 taxes had been collected as of January 31, 2023.

Upon motion by Director Gilliland, seconded by Director Murray, 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 2397 thru 2403 from the Tax Account.

b. Delinquent Tax Collection Report. There was no reported presented at this time.

c. Order Determining Ad Valorem Tax Exemptions. The Board reviewed and considered approval of the Order Determining Ad Valorem Tax Exemptions, a copy of which is attached hereto as Exhibit "B-1". 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 Berckenhoff, seconded by Director Murray, after full discussion and with all Directors present voting aye, the Board approved the Order Determining Ad Valorem Tax Exemptions.

d. Resolution Authorizing Petition Challenging Appraisal Records. The Board reviewed and considered approval the 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 allows Equi-Tax to represent the District in matters before FBCAD.

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

e. Resolution Implementing Penalty on 2022 Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Taxes. The Board reviewed the Resolution

Implementing Penalty on 2022 Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Taxes, a copy of which is attached as Exhibit "B-3".

Upon motion by Director Gilliland, seconded by Director Murray, after full discussion and with all Directors present voting aye, the Board approved the Resolution Implementing Penalty on 2022 Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Taxes.

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

a. Mr. Brandenburg reviewed the current operations in the District with the Board and answered questions.

Mr. Brandenburg also reported sixteen (16) delinquent accounts scheduled for termination due to non-payment of water and sewer bills and one (1) collection account totaling \$33.22. No members of the public wished to comment on termination of water for non-payment of the water and sewer bills. Discussion ensued.

Upon motion by Director Comeaux, seconded by Director Murray, after full discussion and with all Directors present voting aye, the Board 1) approved the Operations Report; and 2) authorized termination of service to sixteen (16) delinquent accounts pursuant to the District's Rate Order and one (1) collection account totaling \$33.22.

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

a. Mr. Strange reviewed the Engineer's Report with the Board and responded to questions.

b. Update on service request by Developers, if any including annexation requests. Mr. Perez then updated the Board on the status of his development. Discussion ensued. After discussion, the Board approved the acceptance of the additional water lines from KMK Development.

c. Update on Engineering/Construction projects, if any. Mr. Strange stated that he spoke with John Seifert, Jr., P.E., of Ground Water Consultants, LLC regarding a well variance for a replacement water well. He stated the plan would be to use the new well to service the District and the old water well would be a back-up well. Discussion ensued. The Board authorized JNS Engineers to start the variance process with the City of Houston.

d. Update and possible action on other projects within the District. Mr. Strange the stated that Sanjay Ahuja inquired about capacity for a potential development on 26403 and 26411 Westheimer Parkway, Katy, Texas to service a retail strip in the front and an office warehouse in the back. Discussion ensued. The Board authorized JNS Engineers to initiate a feasibility study for the Sanjay property.

e. Mark Vogler spoke to the Board regarding potential to enter into an interlocal agreement with the Fort Bend Drainage District for repairs to the Westheimer/Bayou ditch. Discussion ensued.

Upon motion by Director Berckenhoff, seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board authorized Johnson Petrov to write a letter to Commissioner Morales requesting an interlocal agreement with the Fort Bend Drainage District for certain repairs to the Westheimer/Bayou Ditch.

Upon motion by Director Murray, seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board approved 1) JNS to start the well variance process for a replacement well with the City of Houston; 2) JNS to initiate a feasibility study for Sanjay Property; 3) the Board accepted the water line from KMK Development; and 4) approved the Engineer's Report.

7. New Business/Annual Agenda.

a. AWBD Summer Conference.

The Board then considered attendance at the Association of Water Board Directors – Texas (the "AWBD") Summer Conference to be held June 22-24, 2023, in Corpus Christi, Texas.

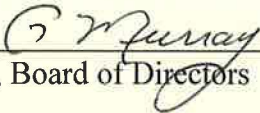
Upon motion by Director Berckenhoff, seconded by Director Gilliland, after full discussion and with all Directors present voting aye, the Board authorized the Directors' attendance at the AWBD Summer Conference.

8. City of Katy Emergency Services Monthly Stat Report. The Board reviewed the Stat Report, a copy of which is attached hereto as Exhibit "E". No action was taken.

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

SIGNED, PASSED and APPROVED this 15th day of March, 2023.




Secretary, Board of Directors

EXHIBITS:

- A - Bookkeeper's Report
- B - Tax Assessor-Collector Report
- B-1- Order Determining Ad Valorem Tax Exemptions
- B-2- Resolution Authorizing Petition Challenging Appraisal Records
- B-3- Resolution Implementing Penalty on 2022 Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Taxes
- C - Operations Report
- D - Engineer's Report
- E - City of Katy Stat Report