

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

**MINUTES OF MEETING OF BOARD OF DIRECTORS**

**NOVEMBER 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, November 15, 2023, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code. The roll was called, the members of the Board, to-wit:

Kenneth L. Comeaux	President
Greg Murray	Vice President
Stephen Berckenhoff	Secretary
Jeff Gilliland	Assistant Secretary
Larry W. Davis	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 of JNS Engineers LLC (the "Engineer" or "JNS") engineer for the District; Allen Perez with the Westheimer Parkway Project ("Developer"); Mike Harrington of American Enerpower, Inc., Electric Service Provider for the District, Alyssa Saccomen, CPA of McCall Gibson Swedlund Barfoot PLLC (the "Auditor" or "MGSB") auditors for the District; Bryan Matthey, a resident of the District; and Alan P. Petrov and Joseph "Will" 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. Mr. Bryan Matthey spoke regarding the streetlights in the District. There being no further 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 October 18, 2023 and the special meeting minutes of November 1, 2023, which was previously distributed to the Board.

Upon motion by Director Gilliland, seconded by Director Davis, after full discussion and with all Directors present voting aye, the Board approved regular meeting minutes of October 18, 2023, as presented and approved the special meeting minutes of November 1, 2023, subject to a certain correction.

3. Audit Report. Ms. Saccomen presented and reviewed the draft audit report for the fiscal year ended August 31, 2023, a copy of which is attached hereto as Exhibit "A". Ms. Saccomen also responded to questions from the Board.

Upon motion by Director Berkenhoff, seconded by Director Murray, after full discussion and with all Directors present voting aye, the Board approved the audit report for the fiscal year ended August 31, 2023.

Ms. Shelnut was not present at this time, so the Board moved up the Item 8d. consideration and discussion regarding Electricity Rates.

4. Mr. Mike Harrington of American Enerpower Energy Services, the energy broker for the District, presented and reviewed the Hudson Energy Services, LLC ("Hudson") five (5) year contract to the Board for electricity rates of \$0.6860/kWh and street lighting, a copy of which is attached hereto as Exhibit "B".

Upon motion by Director Gilliland, seconded by Director Murray, after full discussion and with all Directors present voting aye, the Board accepted the Hudson 5 year contract

5. Bookkeeper's Report and Investment Report. Ms. Shelnut previously distributed the Bookkeeper's Report and Investment Report, copies of which are attached hereto as Exhibit "C". Ms. Shelnut reviewed the written report and responded to questions. Discussion ensued.

Upon motion by Director Gilliland, 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 and authorized payment of checks from the Operating Account and Central Bank.

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

a. Mr. Landreville reviewed with the Board the Tax Assessor/Collector's Report. Mr. Landreville also responded to questions from the Board. He reported that 99.0% of the 2022 taxes and 3.3% of the 2023 taxes had been collected as of October 31, 2023.

b. Delinquent Tax Collection Report. There was no report to present at this time.

7. Operations Report. Mr. Davila presented the Operations Report, a copy of which is attached hereto as Exhibit "E".

a. Mr. Davila next reviewed the current operations in the District with the Board and answered questions. Mr. Davila also reported fifteen (15) 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. Discussion ensued.

Upon motion by Director Berckenhoff, seconded by Director Gilliland, after full discussion and with all Directors present voting aye, the Board approved the Operations Report; and 2) authorized termination of service to fifteen (15) delinquent accounts pursuant to the District's Rate Order.

8. Engineer's Report. The Board reviewed the Engineer's Report, a copy of which is attached hereto as Exhibit "F".

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

b. Update on service request by Developers, if any including annexation requests. See Engineer's Report.

c. Update on Engineering/Construction projects, if any. The Board discussed and considered authorizing Inframark to proceed with 10-point repairs for Phase 1 of TV inspection of the sanitary sewer lines of POV Section One, Phase 1 in the amount not to exceed \$60,000.

Upon motion by Director Gilliland, there was no second, the motion failed.

d. Update and possible action on other projects within the District. See Engineer's Report.

e. JNS Engineering Hourly Rate Adjustment. Mr. Strange presented and reviewed with the Board an hourly rate adjustment effective November 15, 2023, a copy of which is attached to the Engineer's Report.

Upon motion by Director Berckenhoff, seconded by Director Murray, after full discussion and with all Directors present voting aye, the Board approved the JNS Engineering Hourly Rate Adjustment, effective November 15, 2023.

f. Funding from TWDB for new Water Well. No action was taken on this matter at this time.

g. KMK Reimbursement and Payment No. 2.

The Board discussed and reviewed the repayment schedule under the terms of the Reimbursement Agreement.

Upon motion by Director Gilliland, seconded by Director Murray, after full discussion and all Directors present voting aye, the Board approved reimbursement in the amount of \$129,974.74.

Upon motion by Director Murray, seconded by Director Gilliland, after full discussion and with all Directors present voting aye, the Board approved the Engineers Report as presented.

9. New Business/Annual Agenda.

a. Annual Review of Emergency Water Contract with H-FBCMUD Nos. 1 and 5. The Board reviewed the contract and determined no action was needed at this time.

b. Annual review of Westheimer Parkway Landscape Maintenance Contract. The Board reviewed the contract and determined no action was needed at this time.

c. Annual review of Emergency Water Supply Contract with the City of Katy. The Board reviewed the contract and determined no action was needed at this time.

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

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

**SIGNED, PASSED and APPROVED** this 20th day of December, 2023.



  
Secretary, Board of Directors

**EXHIBITS:**

- A - Audit Report
- B - Hudson Energy Services, LLC Contract (Term 3/8/24 to 3/8/29)
- C - Bookkeeper's Report
- D - Tax Assessor-Collector / Delinquent Tax Report
- E - Operations Report
- F - Engineer's Report
- G - City of Katy Stat Report