

MINUTES

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

September 8, 2020

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 50 (the "District") met in regular session by teleconference, with access by telephone available to the public, pursuant to Texas Government Code Section 551.125 and Governor Greg Abbott's emergency disaster declaration dated March 13, 2020, on the 8th day of September, 2020, and the roll was called of the members of the Board being present by telephone:

Craig Lewis	President
Leon Bridges	Vice President
Peter Lajoie	Secretary
Reginald Stubblefield	Assistant Secretary
Vacant	Assistant Vice President

and all of the above were present, thus constituting a quorum.

Also attending the teleconference were Yolanda Asumu of Pi Valley, LLC; Esther Flores of Tax Tech, Inc. ("Tax Tech"); Jordan Williams of R.G. Miller Engineers, Inc.; Wendy Austin of District Data Services, Inc.; Calvin Browne of Municipal District Services, LLC ("MDS"); Phil Halbert of Champions Hydro-Lawn, Inc. ("Champions"); Julie Gerdes of Rathmann and Associates, L.P.; and Christina Miller, Aaron Carpenter, and Cheryl Panozzo of Allen Boone Humphries Robinson LLP ("ABHR").

Ms. Miller reviewed certain recommended protocols for conducting the District's meeting via teleconference. She announced that the meeting was being recorded and that consultant reports presented at the meeting were posted online and available to the public in the form of an "agenda packet" prior to the start of the meeting at www.districtdirectory.org/agendapackets/fbcmud50.

PUBLIC COMMENT

Ms. Asumu inquired regarding the availability of sewage treatment and water supply capacity in the District.

OPERATIONS AND SERVICE REQUIREMENTS RELATING TO COVID-19 EPIDEMIC AND RATIFICATION OF ANY EMERGENCY ACTIONS, IF NECESSARY

Mr. Browne confirmed that there were no adverse District service impacts resulting from the COVID-19 epidemic.

MINUTES

The Board reviewed the minutes of the regular meeting held August 11, 2020. After review and discussion, Director Lewis moved to approve the minutes of the regular meeting held August 11, 2020, as submitted. Director Lajoie seconded the motion, which passed unanimously, with all directors voting "yea."

AUTHORIZE AUDITOR TO CONDUCT AUDIT FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2012

Ms. Miller stated that the Board previously executed an engagement letter with Mark C. Eyring, CPA, PLLC, to perform the District's audit for the fiscal year ending September 30, 2020. Following review and discussion, Director Bridges moved to authorize Mark C. Eyring, CPA, PLLC, to conduct the audit for the District's fiscal year ending September 30, 2020. Director Stubblefield seconded the motion, which passed by unanimous vote, with all directors voting "yea."

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Flores reviewed the tax assessor/collector's report, a copy of which is attached. She reported that 99.62% of the 2019 tax levy had been collected as of August 31, 2020. After review and discussion, Director Bridges moved to approve the tax assessor/collector's report and payment of the bills listed in the report. Director Lajoie seconded the motion, which passed by unanimous vote, with all directors voting "yea."

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Flores stated that Tax Tech published a Notice of Public Hearing stating that the District anticipates levying a \$0.91 tax rate at this meeting.

Director Lewis then opened the public hearing at 9:39 a.m. No members of the public came forward to make comments. Director Lewis closed the public hearing at 9:40 a.m.

Ms. Miller presented to the Board an Order Levying Taxes for 2020 reflecting a total \$0.91 tax rate comprised of \$0.68 for debt service and \$0.23 for operations and maintenance. Ms. Miller next presented to the Board an Amendment to Information Form reflecting the 2020 tax rate. After review and discussion, Director Lewis moved to adopt the Order Levying Taxes as presented and direct that the Order be filed appropriately and retained in the District's official records. Director Lajoie seconded the motion, which passed by unanimous vote, with all directors voting "yea." The Board confirmed its intention that the 2020 tax levy includes a debt service component

for the calendar year ending December 31, 2021, and a maintenance tax component for the fiscal year ending September 30, 2021.

Ms. Miller stated that an Amendment to Information Form is not needed because the tax rate the District is adopting for the 2020 tax year is the same rate that the District adopted for the 2019 tax year.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Austin presented the bookkeeper's report, including the investment report, a copy of which is attached, and submitted the District's bills for payment. She requested the Board approve additional check no. 9143 to the North Fort Bend Water Authority ("NFBWA") in the amount of \$89,674.95 and check no. 9144 to Simmons Bank in the amount of \$36,108.72. After review and discussion, Director Lewis moved to approve the bookkeeper's report, investment report, and payment of the bills listed in the report, including check no. 9143 to the NFBWA in the amount of \$89,674.95 and check no. 9144 to Simmons Bank in the amount of \$36,108.72. Director Bridges seconded the motion, which passed by unanimous vote, with all directors voting "yea."

APPROVE PAYMENT TO SIMMONS BANK PURSUANT TO SETTLEMENT AGREEMENT

Ms. Austin stated that she has prepared a check in the amount of \$36,108.72 to Simmons Bank for the District's quarterly interest on the unpaid balance of the purchase price for the property designated for the detention basin pursuant to the Settlement Agreement between the District and SDB Real Estate, LLC. After discussion, Director Lewis moved to approve payment of \$36,108.72 to Simmons Bank. Director Bridges seconded the motion, which passed by unanimous vote, with all directors voting "yea."

ADOPT BUDGET FOR FISCAL YEAR ENDING SEPTEMBER 30, 2021

Ms. Austin reviewed a proposed budget for the fiscal year ending September 30, 2021, a copy of which is attached. The Board requested that the bookkeeper remove the expense line item of the proposed budget for Local Government Corporation Matters legal fees in the amount of \$20,000.00. Following review and discussion, Director Lewis moved to adopt the budget for the fiscal year ending September 30, 2020, as revised. Director Bridges seconded the motion, which passed by unanimous vote, with all directors voting "yea."

SALE OF UNLIMITED TAX BONDS, SERIES 2020A ("SERIES 2020A BONDS"), INCLUDING APPROVE PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL NOTICE OF SALE, ENGAGE RATING COMPANY TO PERFORM CREDIT RATING ANALYSIS FOR SERIES 2020A BONDS, APPOINT PAYING AGENT/REGISTRAR, APPOINT ESCROW AGENT, AUTHORIZE ADVERTISEMENT FOR SALE OF THE SERIES 2020A BONDS AND SCHEDULE BOND SALE

Ms. Gerdes stated that the District has received the staff memorandum and draft Order from the Texas Commission on Environmental Quality ("TCEQ") Approving the Issuance of the \$9,035,000 Series 2020A Bonds.

Ms. Miller stated that the District's tax assessor/collector will need to request a Certificate of Assessed Value as of January 1, 2020, from the Fort Bend Central Appraisal District in connection with the Series 2020A Bonds.

Ms. Gerdes reviewed the Preliminary Official Statement and Official Notice of Sale for the Series 2020A Bonds with the Board.

Ms. Gerdes discussed engaging Moody's Investors Services to perform a credit rating analysis for the Series 2020A Bonds.

The Board discussed appointing The Bank of New York Mellon Trust Company, N.A., as the Paying Agent/Registrar for the Series 2020A Bonds.

Ms. Miller stated it will not be necessary to appoint an escrow agent for the Series 2020A Bonds.

The Board considered authorizing the District's financial advisor to advertise and schedule the sale of the Series 2020A Bonds.

After review and discussion, Director Stubblefield moved to (1) authorize the tax assessor/collector to request a Certificate of Assessed Value as of January 1, 2020, from the Fort Bend Central Appraisal District; (2) approve the Preliminary Official Statement and Official Notice of Sale for the Series 2020A Bonds; (3) approve the engagement of Moody's Investors Services to perform a credit rating analysis for the Series 2020A Bonds; (4) appoint The Bank of New York Mellon Trust Company, N.A., as the Paying Agent/Registrar for the Series 2020A Bonds; and (5) authorize the District's financial advisor to advertise and schedule the sale of the Series 2020A Bonds for Tuesday, October 13, 2018, at 9:00 a.m. Director Lajoie seconded the motion, which passed by unanimous vote, with all directors voting "yea."

OPERATION OF DISTRICT FACILITIES

Mr. Browne reviewed the operator's report, a copy of which is attached. He reported that water accountability for the previous month was 93.8% and reported on maintenance performed at the District's facilities.

Mr. Browne discussed damage to an irrigation line and a monument located at the intersection of Bellaire Boulevard and North Park Drive caused by a contractor and stated an invoice in an amount equal to the repair costs is being submitted to the contractor for reimbursement to the District and the homeowner's association for the repair costs, as applicable.

The Board considered installing smart water meters in the District. Mr. Browne discussed smart water meters and the accompanying web-based service that would be accessible to District customers to view their individual water usage data on a real-time basis. He discussed a pilot program (the "Pilot Program") offered by Accurate Meter & Supply utilizing ten smart water meters in the District on a trial basis at a cost of approximately \$3,000. Following review and discussion, the Board concurred to consider participation in the Pilot Program next month.

After review and discussion, Director Bridges moved to approve the operator's report. Director Lajoie seconded the motion, which passed by unanimous vote, with all directors voting "yea."

HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS AND AUTHORIZE TERMINATION OF SERVICE

The Board discussed whether to continue suspension of termination of water and sewer service, late fees, and penalties, to delinquent customers due to the COVID-19 public health emergency. Following discussion, Director Bridges moved to (1) continue suspension of termination of water and sewer service to delinquent customers for the current billing cycle; (2) authorize MDS to set up payment plans with District customers on an as-needed basis until further notice; and (3) recommence application of late fees and penalties beginning September 2, 2020, and resume service terminations beginning with the October, 2020 billing cycle in accordance with the procedures set forth in the District's Rate Order. The motion was seconded by Director Lajoie, which passed by unanimous vote, with all directors voting "yea."

GARBAGE AND RECYCLING SERVICE MATTERS

The Board discussed garbage and recycling service matters.

NFBWA MATTERS

Ms. Miller updated the Board on NFBWA matters. She reviewed a memorandum from the NFBWA regarding the proposed pumpage fee and surface water fee increase that will take effect January 1, 2020.

DEVELOPMENT IN THE DISTRICT

There was no discussion on development in the District.

ENGINEERING MATTERS

Ms. Williams presented the engineer's report, a copy of which is attached, including the projects specifically addressed as follows:

PARK WESTHEIMER BOULEVARD EXTENSION AND DRAINAGE IMPROVEMENTS

Ms. Williams gave an update on construction of the Park Westheimer Boulevard extension and drainage improvements and stated construction is complete.

PERMANENT WASTEWATER TREATMENT PLANT ("WWTP") AND LIFT STATION

Ms. Williams gave an update on construction of the permanent WWTP and lift station and stated construction is 45% complete. She recommended approval of Pay Estimate No. 10 in the amount of \$1,054,118.04 to C4 Partners, LLC ("C4 Partners").

WATER PLANT NO. 2

Ms. Williams gave an update on construction of Water Plant No. 2 and stated construction is 85% complete. She recommended the Board approve Pay Estimate No. 14 in the amount of \$42,425.24 to Nunn Constructors, Ltd. ("Nunn").

WATER, SEWER AND DRAINAGE FACILITIES TO SERVE GRAND TRAILS, SECTION 1

Ms. Williams gave an update on construction of the water, sewer, and drainage facilities to serve Grand Trails, Section 1.

PAVING TO SERVE GRAND TRAILS, SECTION 1

Ms. Williams reported that R.G. Miller received bids for construction of the paving to serve Grand Trails, Section 1, and she recommended the Board award the contract to the second lowest bidder, DeCrosta Construction, LLC ("DeCrosta"), in the amount of \$1,162,371.85. She indicated that R.G. Miller recommends the second bidder due to concerns regarding insufficient references for the low bidder. The Board concurred that, in its judgment, DeCrosta was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

SUB-REGIONAL DETENTION PHASE II

Ms. Williams gave an update on construction of the sub-regional detention phase II project and stated construction is 75% complete. She recommended the Board approve Pay Estimate No. 1 in the amount of \$110,455.25 to C.E. Barker, Ltd.

DETENTION FACILITIES TO SERVE DISTRICT EAST

Ms. Williams reported on construction of the detention facilities to serve District East and stated construction is 95% complete.

DRAINAGE STUDY

Ms. Williams reported on the required updates to the District's drainage study based on the Atlas 14 rainfall study.

DEEDS, EASEMENTS, APPRAISALS, CONSENTS TO ENCROACHMENT, ENCROACHMENT AGREEMENTS, ASSIGNMENT OF CAPACITY, REQUESTS FOR SERVICE, UTILITY CONVEYANCES, OUT-OF-DISTRICT SERVICE AGREEMENTS, UTILITY COMMITMENT LETTERS, AND CONVEYANCES OF DISTRICT PROPERTY

Ms. Williams recommended the Board authorize conveyance of easements to CenterPoint Energy for the permanent WWTP and Water Plant No. 2.

Following discussion, the Board requested that Ms. Williams contact Ms. Asumu after the meeting to discuss whether the District has available sewage treatment and water supply capacity to serve proposed development of the land owned by Pi Valley, LLC.

After review and discussion, based on the engineer's recommendation, Director Lewis moved to (1) approve the engineer's report; (2) approve Pay Estimate No. 10 in the amount of \$1,054,118.04 to C4 Partners for construction of

the permanent WWTP and lift station; (3) approve Pay Estimate No. 14 in the amount of \$42,425.24 to Nunn for construction of Water Plant No. 2; (4) award the contract for construction of the paving to serve Grand Trails to DeCrosta in the amount of \$1,162,371.85, based upon the engineer's recommendation; (5) approve Pay Estimate No. 1 in the amount of \$110,455.25 to C.E. Barker, Ltd., for construction of the sub-regional detention phase II project; and (6) authorize conveyance of the easements to CenterPoint Energy. Director Lajoie seconded the motion, which passed by unanimous vote, with all directors voting "yea."

REPORT ON MAINTENANCE OF DISTRICT DETENTION PONDS AND FACILITY SITES

Mr. Halbert reviewed a report from Champions on maintenance of the District's detention ponds and facility sites, a copy of which is attached. He reported that the District resident at 23606 Lakewind Park Lane allowed a swimming pool contractor to access the District's property to enter the back yard of their residence for the excavation of a pool and that the ground needs to be restored to its original condition. Mr. Halbert then reported it appears that the District residents located at 23611 Lakewind Park Lane and 23615 Lakewind Park Lane are raising ducks and releasing them onto District property.

Following review and discussion, Director Lajoie moved to (1) accept the report from Champions; (2) authorize ABHR to send a letter to the resident at 23606 Lakewind Park Lane requesting that the resident restore the ground to its original condition; and (3) authorize ABHR to send a letter to the District residents located at 23611 Lakewind Park Lane and 23615 Lakewind Park Lane requesting they cease releasing ducks onto District property. Director Stubblefield seconded the motion, which passed by unanimous vote, with all directors voting "yea."

PARK AND RECREATIONAL FACILITY PLANNING MATTERS

The Board deferred discussing a Resolution Establishing Rules and Regulations Governing the Use of District Detention and Recreation Facilities until next month.

DISTRICT WEBSITE MATTERS

There was no discussion on District website matters.

There being no further business to come before the Board, the meeting was adjourned.



/s/ Peter Lajoie
Secretary, Board of Directors

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