

## MINUTES

### FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

February 9, 2021

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 9<sup>th</sup> day of February, 2021, 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
Ken Mathews	Assistant Vice President

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

Also attending the teleconference were Josh Penton of Meritage Homes; Robert Ferguson of Parkway Lakes Development, Inc.; Esther Flores of Tax Tech, Inc.; Jordan Williams and Brian Rebenalat of R.G. Miller Engineers, Inc. ("R.G. Miller"); Wendy Austin of District Data Services, Inc.; Calvin Browne of Municipal District Services, LLC ("MDS"); Phil Halbert of Champions Hydro-Lawn, Inc. ("Champions"); Mark Eyring of Mark C. Eyring, CPA, PLLC; Julie Gerdes of Rathmann and Associates, L.P. ("Rathmann"); Christie Leighton of Best Trash, LLC; Matt Feil of BGE, Inc.; 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 made available to the public in the form of an "agenda packet" prior to the start of the meeting at [www.districtdirectory.org/agendapackets/fbcmud50](http://www.districtdirectory.org/agendapackets/fbcmud50).

### PUBLIC COMMENTS

Ms. Miller reported that the District received the following written correspondence from the public: (1) correspondence from a resident of Fort Bend County Municipal Utility District No. 133 regarding maintenance of certain District trees; and (2) correspondence from the owner of Katy Dojo LLC property located to the south of the permanent wastewater treatment plant ("WWTP") site regarding drainage

concerns related to the WWTP project. She noted that copies of the written correspondence were distributed to the Board prior to the meeting.

#### 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 on January 12, 2021, and the special meeting held on January 26, 2021. After review and discussion, Director Lewis moved to approve the minutes of the regular meeting held on January 12, 2021, and the special meeting held on January 26, 2021, as submitted. Director Bridges 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 54.95% of the 2020 tax levy had been collected as of January 31, 2021. After review and discussion, Director Mathews 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."

#### RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Ms. Miller reviewed a Resolution Concerning Exemptions from Taxation. After review and discussion, Director Lewis moved to adopt the Resolution Concerning Exemptions from Taxation, reflecting that the Board of Directors rejects a general residential homestead exemption and grants a \$20,000 exemption for persons 65 years of age or older and for disabled persons, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Bridges seconded the motion, which passed by unanimous vote, with all directors voting "yea."

#### AUDIT FOR FISCAL YEAR ENDED SEPTEMBER 30, 2020

Mr. Eyring reviewed the District's audit for the fiscal year ended September 30, 2020. After review and discussion, Director Stubblefield moved to approve the audit, subject to final director and consultant review, authorize filing of the audit with the Texas Commission on Environmental Quality, and direct that the audit 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."

## SERIES 2021 REFUNDING BONDS

Ms. Gerdes distributed and reviewed information on the possible refunding (the "Series 2021 Refunding Bonds Issue") of certain maturities of the District's Series 2014 Refunding Bonds, a copy of which is attached. Following review and discussion, Director Lewis made a motion to authorize Rathmann to move forward with the Series 2021 Refunding Bond Issue and to prepare the Preliminary Official Statement. Director Mathews seconded the motion, which passed by unanimous vote, with all directors voting "yea."

The Board concurred to discuss engaging a rating agency to perform a credit rating analysis for the Series 2021 Refunding Bonds Issue and adopting a Resolution Authorizing the Issuance of the Series 2021 Refunding Bonds at the March 2021 Board meeting.

Ms. Gerdes left the meeting.

## 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 also requested that the Board approve check no. 9316 to B&G Trees, Inc. ("B&G") in the amount of \$8,450.00 for the relocation of 26 trees and check no. 9317 to Mark C. Eyring, CPA, PLLC in the amount of \$10,950.00. After review and discussion, Director Mathews moved to (1) approve the bookkeeper's report, investment report, and payment of the bills listed in the report, and (2) approve check no. 9316 to B&G in the amount of \$8,450.00 and check no. 9317 to Mark C. Eyring, CPA, PLLC in the amount of \$10,950.00. Director Bridges seconded the motion, which passed by unanimous vote, with all directors voting "yea."

## ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") WINTER CONFERENCE, APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES, AND AUTHORIZE ATTENDANCE AT SUMMER CONFERENCE

The Board discussed the AWBD winter conference. After discussion, Director Bridges moved to authorize all interested Directors to attend the AWBD summer conference. Director Lajoie seconded the motion, which passed unanimously.

## RENEWAL OF DISTRICT'S INSURANCE POLICIES

Ms. Miller stated that the District's insurance policies placed through HARCO Insurance Services will expire on April 9, 2021. Following discussion, the Board directed ABHR to obtain a proposal for renewal of the District's insurance policies from HARCO Insurance Services.

## 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 96.9% and reported on maintenance performed at the District's facilities. After review and discussion, Director Lajoie moved to (1) approve the operator's report; and (2) authorize MDS to turn over four accounts in the total amount of \$1,451.58, deemed to be uncollectible, to a collection agency. Director Bridges 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 conducted a hearing on the termination of utility service. Mr. Browne presented a list of delinquent customers and reported that the residents on the termination list were mailed written notice prior to this meeting in accordance with the District's Rate Order, notifying them of the opportunity to appear before the Board of Directors to explain, contest, or correct the utility service bill and to show reason why utility service should not be terminated for reason of nonpayment. Following review and discussion, Director Lajoie moved that, because the customers on the termination list were neither present at the meeting nor had presented any statement on the matter, utility service should be terminated in accordance with the procedures set forth in the District's Rate Order, and the delinquent customer list should be filed appropriately and retained in the District's official records, and to authorize MDS to continue to set up payment plans with District customers on an as-needed basis until further notice. Director Lewis seconded the motion, which passed by unanimous vote, with all directors voting "yea."

## APPROVE PARTICIPATION IN WATER SMART PROGRAM, AUTHORIZE EXECUTION OF WATER SMART APPLICATION, AND ADOPT RESOLUTION APPROVING SUBMITTAL OF THE WATER SMART APPLICATION FOR INCLUSION IN THE AWBD WATER SMART PARTNERS PROGRAM

Mr. Browne discussed the District's participation in the Water Smart Program and submittal of a Water Smart application. After review and discussion, Director Lajoie moved to (1) approve the District's participation in the Water Smart Program; (2) authorize preparation and submittal of the Water Smart application; and (3) adopt a Resolution Approving Submittal of the Water Smart Application for Inclusion in the AWBD Water Smart Partners Program, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Bridges seconded the motion, which passed by unanimous vote, with all directors voting "yea." Mr. Browne noted that MDS will prepare and submit the District's Water Smart application.

## ADOPT AMENDED RATE ORDER

The Board concurred to defer amending the District's Rate Order to next month.

## GARBAGE AND RECYCLING SERVICE MATTERS

There was no discussion on garbage and recycling matters.

## NORTH FORT BEND WATER AUTHORITY ("NFBWA") MATTERS

Ms. Miller updated the Board on NFBWA matters and discussed the District's participation in the Larry's Toolbox Water Conservation Program.

## DEVELOPMENT IN THE DISTRICT

Mr. Ferguson gave an update on development in the District. He discussed the proposed approximately 11.51-acre rental home community development in the District by Pelican Residential LLC ("Pelican"), located at the intersection of North Park Drive and Park Westheimer Boulevard. Ms. Miller then reviewed a Development Financing Agreement between the District and Pelican. Following review and discussion, Director Bridges moved to approve the Development Financing Agreement and direct that the agreement 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."

## 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 WWTP AND LIFT STATION

Ms. Williams gave an update on construction of the permanent WWTP and lift station and stated construction is 90% complete. She recommended approval of Pay Estimate No. 15 in the amount of \$6,597.27 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 90% complete. She recommended the Board approve Pay Estimate No. 19 in the amount of \$14,429.25 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 and stated construction is 95% complete. She recommended the Board approve Pay Estimate No. 3 in the amount of \$7,670.49 to Fellers & Clark, LP.

Director Bridges discussed damage at the entrance of Grand Meadows subdivision, including landscaping, decorative rock, and sidewalk damage, caused by the contractor for the project. Ms. Williams stated repair of the damage is the responsibility of the contractor and that she will provide Director Bridges with the anticipated repair completion date once provided by the contractor.

## PAVING TO SERVE GRAND TRAILS, SECTION 1

Ms. Williams gave an update on construction of the paving to serve Grand Trails, Section 1.

## SUB-REGIONAL DETENTION PHASE II

Ms. Williams gave an update on construction of the sub-regional detention phase II project and stated construction is 95% complete.

## SUB-REGIONAL DETENTION PHASE III

Ms. Williams gave an update on design of the sub-regional detention phase III project and stated that the District has not yet received developer advances for the project.

## DISTRICT EAST DETENTION FACILITIES PHASE II

Ms. Williams gave an update on design of District East Detention Facilities Phase II.

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. Miller presented a Utility Commitment Letter for 19 equivalent single-family sanitary sewer and water connections ("ESFC") for a proposed Harmony School located east of Peek Road on Bellaire Boulevard.

Ms. Miller then presented a Utility Commitment Letter with Pelican for 117 ESFC for the proposed single-family rental home community development in the District.

Ms. Williams reported that the District received a request for 178 ESFC from Provident Realty Advisors Inc., for a proposed single-family rental community located at the intersection of Peek Road and Bellaire Boulevard.

Ms. Williams then requested the Board's approval and acceptance of a 0.1370-acre storm sewer easement.

Ms. Williams discussed a drainage issue behind several homes located in the Meadows of Parkway Lakes subdivision due to overflow from a drainage inlet and reviewed a proposal from R.G. Miller in the amount of \$26,500.00 for design and construction administration of a Texas Department of Transportation drainage ditch improvements project to remedy the drainage issue.

After review and discussion, based on the engineer's recommendation, Director Bridges moved to (1) approve the engineer's report; (2) approve Pay Estimate No. 15 in the amount of \$6,597.27 to C4 Partners for construction of the permanent WWTP and lift station; (3) approve Pay Estimate No. 19 in the amount of \$14,429.25 to Nunn for construction of Water Plant No. 2; (4) approve Pay Estimate No. 3 in the amount of \$7,670.49 to Fellers & Clark, LP for construction of the water, sewer, and drainage facilities to serve Grand Trails, Section 1; (5) approve the Utility Commitment Letter for Harmony School and direct that the letter be filed appropriately and retained in the District's official records; (6) approve the Utility Commitment Letter with Pelican and direct that the letter be filed appropriately and retained in the District's official records; (7) authorize ABHR to prepare a Utility Commitment Letter regarding sanitary sewer and water capacity for Provident Realty Advisors Inc.; (8) accept and authorize execution of the 0.1370-acre storm sewer easement and direct that it be filed appropriately and retained in the District's official records; and (9) approve the proposal from R.G. Miller in the amount of \$26,500.00 for design and construction administration of the Texas Department of Transportation drainage

ditch improvements project. 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.

Following discussion, the Board concurred that no additional maintenance is required for the District easement located west of N. Waterlily Drive.

#### TREE RELOCATION PROJECT

Ms. Miller and Director Lewis provided an update on the relocation of trees in the District. Ms. Miller reported that B&G requested pre-payment from the District in the amount of \$6,500.00 for relocation of the remaining 40 trees in the District. Following discussion, Director Lewis moved to approve check no. 9318 to B&G in the amount of \$6,500.00 as discussed. Director Bridges seconded the motion, which passed by unanimous vote, with all directors voting "yea."

Mr. Ferguson discussed the Letter Agreement between the District and Parkway Lakes Master, Ltd., regarding the donation of trees to the District. Following discussion, the Board concurred to revise the Letter Agreement to state that the District has the right to relocate the trees only until April 1, 2021.

#### 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

The Board discussed District website matters.

#### CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER

The Board did not convene in Executive Session.



LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Tax Assessor/Collector's report .....	2
Information on the possible Refunding Bond Issue.....	3
Bookkeeper's report .....	3
Operator's report.....	4
Engineer's report.....	5
Report from Champions.....	8