

MINUTES

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

April 13, 2021

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 50 (the "District") met in regular session by teleconference and videoconference, with access by telephone and video 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 13th day of April, 2021, and the roll was called of the members of the Board being present by telephone and/or video:

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 except Director Stubblefield, thus constituting a quorum.

Also attending the teleconference were Muhammad Sadiq, a member of the public; Josh Penton of Meritage Homes; Esther Flores of Tax Tech, Inc.; Jordan Williams of R.G. Miller Engineers, Inc. ("R.G. Miller"); Wendy Austin of District Data Services, Inc. ("DDS"); Calvin Browne of Municipal District Services, LLC ("MDS"); Phil Halbert of Champions Hydro-Lawn, Inc. ("Champions"); Avik Bonnerjee of B&A Municipal Tax Service, LLC; Mark Eyring of Mark C. Eyring CPA, PLLC; Christie Leighton of Best Trash, LLC ("Best Trash"); 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 and videoconference. 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.

PUBLIC COMMENTS

Ms. Miller reported that Fort Bend County Municipal Utility District No. 133 resident Jeannette Hall attended a meeting of the North Fort Bend Water Authority's ("NFBWA") Board of Directors to report a leaking backflow device in the District. Ms. Miller noted that Walmart is responsible for the maintenance of this backflow device and that Walmart has indicated that the repair of the device is complete.

Ms. Miller then offered any members of the public attending the meeting by video or telephone the opportunity to make public comment. There being no members of the public requesting to make public comment, the Board moved to the next agenda item.

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 special meeting held on March 1, 2021, and the regular meeting held on March 9, 2021. After review and discussion, Director Lewis moved to approve the minutes of the special meeting held on March 1, 2021, and regular meeting held on March 9, 2021, as submitted. Director Lajoie 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 94.59% of the 2020 tax levy had been collected as of March 31, 2021. After review and discussion, Director Lewis moved to approve the tax assessor/collector's report and payment of the bills listed in the report. Director Bridges seconded the motion, which passed by unanimous vote, with all directors voting "yea."

SERIES 2021 UNLIMITED TAX REFUNDING BONDS ("SERIES 2021 REFUNDING BONDS")

Ms. Miller provided an update on the Series 2021 Refunding Bonds and stated that pricing is scheduled for April 19, 2021.

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. 9378 to B&G Trees, Inc., in the amount of \$9,750.00, check no. 9379 to Mark C. Eyring CPA, PLLC in the amount of \$750.00, and check no. 9380 to MRPL Retail Partners, Ltd. in the amount of \$397,325.73.

Discussion ensued regarding the increasing cost of the District telephone and internet service provided by AT&T. Following discussion, the Board requested that MDS present alternative options for such service to the Board next month.

Ms. Davis reported that, due to a merger with PNC Bank, Compass Bank will no longer pledge the collateral required for deposits of public funds above the Federal Deposit Insurance Corporation's \$250,000.00 limit. She noted that DDS will transfer District accounts with fund amounts greater than \$250,000.00 to Central Bank.

After review and discussion, Director Lajoie moved to approve the bookkeeper's report, investment report, and payment of the bills listed in the report, as well as check no. 9378 to the B&G Trees, Inc. in the amount of \$9,750.00, check no. 9379 to Mark C. Eyring CPA, PLLC in the amount of \$750.00, and check no. 9380 to MRPL Retail Partners, Ltd. in the amount of \$397,325.73. Director Lewis seconded the motion, which passed by unanimous vote, with all directors voting "yea."

REPORT ON SALES TAX AUDIT SERVICES

Mr. Bonnerjee reviewed a report on the District's sales tax revenue accounts, a copy of which is attached. He reviewed new and changed sales and use tax permits issued since the last report for businesses located within the District's boundaries.

APPROVE PROJECT AUDIT FOR AND RELATED PAYMENT OF ECONOMIC DEVELOPMENT GRANT PAYMENT TO MRPL RETAIL PARTNERS, LTD., AND MRPL RETAIL PARTNERS II, LTD

Mr. Eyring reviewed a project audit for the economic development grant payment to MRPL Retail Partners, Ltd., and MRPL Retail Partners II, Ltd., prepared by Mark C. Eyring CPA, PLLC. He noted that the audit reflects that an economic development grant payment is due to MRPL Retail Partners, Ltd., and MRPL Retail Partners II, Ltd., in the amount of \$397,325.73 for the year 2020. After review and discussion, Director Bridges moved to approve the project audit for and related payment of the economic development grant payment to MRPL Retail Partners, Ltd., and MRPL Retail Partners II, Ltd., and direct that the project 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."

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 98.1% and reported on maintenance performed at the District's facilities.

Mr. Browne stated that MDS provides an annual written report evaluating the effectiveness of the District's Identity Theft Prevention Program (the "Program"),

identifying significant instances of identity theft detection, and describing any recommendations regarding changes to the Program. He presented a report on the District's Program. Mr. Browne stated that the report indicates no significant incidents of identity theft detection and MDS recommends no changes to the Program. The Board concurred that it was not necessary to adopt a Program amendment.

Mr. Browne reviewed a proposal from Braun Consulting Services, a subcontractor of MDS, in the estimated amount of \$14,000.00, to conduct the District's Risk and Resilience Assessment (the "Assessment") pursuant to the requirements of America's Water Infrastructure Act of 2018.

Mr. Browne reviewed the Consumer Confidence Report with the Board. Following review and discussion, the Board concurred to approve the Consumer Confidence Report at the next meeting.

Following discussion, the Board requested that MDS present options for language to include on the District's high-water user notices next month.

Ms. Miller reported that the District received a request from the Association of Water Board Directors ("AWBD") to designate a voting member representative. Following discussion, the Board concurred to designate Director Lewis as the District's AWBD voting member representative.

After review and discussion, Director Bridges moved to (1) approve the operator's report; (2) authorize MDS to turn over four accounts in the total amount of \$1,951.76, deemed to be uncollectible, to a collection agency; and (3) approve the proposal from Braun Consulting Services, as a subcontractor of MDS, in the estimated amount of \$14,000.00. 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 conducted a hearing on the termination of utility service. Mr. Browne presented a list of delinquent customers, a copy of which is filed in the District's official records. Following review and discussion, Director Bridges moved to (1) suspend termination of water and sewer service to delinquent customers and waive late fees and penalties for the current billing cycle; (2) authorize MDS to send written reminder notices of non-payment to delinquent customers; and (3) authorize MDS to set up payment plans with District customers on an as-needed basis until further notice. Director Lajoie seconded the motion, which passed by unanimous vote, with all directors voting "yea."

ADOPT AMENDED RATE ORDER

The Board considered amending the District's Rate Order. After review and discussion, Director Mathews moved to adopt an Amended Rate Order and direct that the Order be filed appropriately and retained in the District's official records. Director Lewis seconded the motion, which passed by unanimous vote, with all directors voting "yea."

GARBAGE AND RECYCLING SERVICE MATTERS

Ms. Leighton discussed garbage and recycling matters and reviewed the attached proposals for a proposed District paper shredding event. Following review and discussion, the Board concurred to include free paper shredding for District residents at the District event on water conservation in the fall of 2021.

NFBWA MATTERS

Ms. Miller stated that the District entered into an Irrigation System Evaluation Cost Sharing Agreement ("Irrigation Agreement") for participation in the W.I.S.E. Guys Program in June, 2011. She stated that the W.I.S.E. Guys Program provides evaluations of residential irrigation systems for the District's customers. Ms. Miller stated that the Irrigation Agreement automatically renews for another year if the District does not provide notice of termination at least 60 days prior to the renewal date. Following discussion, the Board concurred to allow the Irrigation Agreement to automatically renew for another year.

DEVELOPMENT IN THE DISTRICT

Mr. Penton gave an update on development in the District.

Director Bridges discussed damage at the entrance of the Grand Meadows subdivision, including electrical and sidewalk damage, caused by CenterPoint during construction of a gas line. He reported that sidewalk damage was repaired using asphalt instead of concrete. Discussion ensued. Following discussion, Ms. Williams stated she will contact CenterPoint to request that the asphalt be replaced with concrete.

Ms. Miller reviewed a Development Financing Agreement between the District and Provident Realty Advisors Inc. Following review and discussion, Director Lewis moved to approve the Development Financing Agreement and direct that the agreement 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."

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, INCLUDING PROPOSALS FOR SECURITY SERVICES

Ms. Williams gave an update on construction of the permanent WWTP and lift station and stated construction is 95% complete. She recommended approval of Pay Estimate No. 17 in the amount of \$278,262.60 to C4 Partners, LLC.

WATER PLANT NO. 2

Ms. Williams gave an update on construction of Water Plant No. 2 ("WP No. 2") and stated construction is 90% complete. She recommended that the Board approve Pay Estimate No. 21 in the amount of \$45,481.50 to Nunn Constructors, Ltd. ("Nunn"). Ms. Williams then recommended that the Board approve a change order to the contract with Nunn to increase the contract in an amount not to exceed \$100,000.00 for relocation of a CenterPoint power pole, subject to final approval by Director Lewis. After discussion, and based on the recommendation of Ms. Williams, the Board determined that the change order is beneficial to the District.

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.

PAVING TO SERVE GRAND TRAILS, SECTION 1

Ms. Williams gave an update on construction of the paving to serve Grand Trails, Section 1 and stated construction is 70% complete. She recommended approval of Pay Estimate No. 3 in the amount of \$563,805.00 to DeCrosta Construction, LLC ("DeCrosta").

SUB-REGIONAL DETENTION PHASE II

Ms. Williams gave an update on construction of the sub-regional detention phase II project and stated construction is 99% 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.

TEXAS DEPARTMENT OF TRANSPORTATION ("TxDOT") DRAINAGE DITCH IMPROVEMENTS PROJECT

Ms. Williams gave an update on design of the TxDOT drainage ditch improvements project and stated that plans have been submitted to TxDOT for review.

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 reported that the District received a request for 3 equivalent single-family sanitary sewer and water connections for a proposed volunteer fire department community center located at the intersection of Peek Road and Beechnut.

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. 17 in the amount of \$278,262.60 to C4 Partners, LLC for construction of the permanent WWTP and lift station; (3) approve Pay Estimate No. 21 in the amount of \$45,481.50 to Nunn for construction of Water Plant No. 2; (4) approve the change order in the amount not to exceed \$100,000.00 to the contract with Nunn for construction of WP No. 2, subject to final approval by Director Lewis, based on the Board's finding that the change order is beneficial to the District and the engineer's recommendation; (5) approve Pay Estimate No. 3 in the amount of \$563,805.00 to DeCrosta for construction of the construction of the paving to serve Grand Trails, Section 1; and (6) authorize ABHR to prepare a

Utility Commitment Letter regarding sanitary sewer and water capacity for the proposed volunteer fire department community center. Director Bridges 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 Peek Road Detention Pond emergency overflow was disturbed during the tree installation, and he presented a proposal from Champions, a copy of which is attached, in the amount not to exceed \$3,420.00 for rehabilitation of the site, including turf establishment. Following review and discussion, Director Lewis moved to (1) approve the report from Champions; and (2) approve the proposal from Champions in the amount not to exceed \$3,420.00. Director Bridges seconded the motion, which passed by unanimous vote, with all directors voting "yea."

TREE RELOCATION PROJECT

Director Lewis provided an update on the relocation of trees in the District and stated that the project is complete.

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.

DISTRICT WEBSITE MATTERS

There was no discussion on this matter.

RESOLUTION IN SUPPORT OF HOUSE BILL NO. 1410 AND SENATE BILL NO. 1959

Ms. Miller discussed House Bill 1410 and Senate Bill 1959, which would increase the amount of bonds that certain municipal utility districts can issue for park and recreational facilities, and the Board considered adopting a Resolution in Support of House Bill 1410 and Senate Bill 1959. Following review and discussion, Director Lewis moved to adopt the Resolution in Support of House Bill 1410 and Senate Bill 1959 and direct that the Resolution be filed appropriately and retained in the District's official records. Director Bridges seconded the motion, which passed unanimously.

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, AND SECTION 551.076, TEXAS GOVERNMENT CODE, TO DELIBERATE THE DEPLOYMENT, OR SPECIFIC OCCASIONS FOR IMPLEMENTATION, OF SECURITY PERSONNEL OR DEVICES

The Board convened in Executive Session at 10:55 a.m., pursuant to Section 551.071 of the Texas Government Code, to conduct a private consultation with attorney to discuss pending or contemplated litigation or a settlement offer and pursuant to Section 551.076 of the Texas Government Code, to deliberate the deployment, or specific occasions for implementation, of security personnel or devices.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING MATTERS DISCUSSED IN EXECUTIVE SESSION

The Board reconvened in regular session at 11:08 a.m. The Board directed R.G. Miller to obtain additional proposals for a security system for the permanent WWTP.

ENGINEERING MATTERS (Continued)

Discussion ensued regarding construction of WP No. 2. Director Lewis stated that it appears that the fence surrounding the WP No. 2 site will not be level upon completion, because the design of WP No. 2 did not include proper grading in elevation. Ms. Williams reported that the contractor had submitted a change order to the contract for construction of WP No. 2 in the approximate amount of \$120,000.00 to level the fence. Ms. Miller noted ABHR will coordinate with R.G. Miller to determine whether the fence surrounding WP No. 2 is being built to specifications. Ms. Williams noted, per the WP No. 2 Notice to Proceed, the project should have reached substantial completion in June 2020. Discussion ensued. Following discussion, the Board concurred to hold a special Board meeting on Wednesday, April 21, 2021 at 12:00 p.m. to tour the District's facilities.

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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