

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

September 14, 2021

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 50 (the "District") met in regular session, open to the public, on the 14th day of September, 2021, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

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 present either in person or by telephone were: Esther Flores of Tax Tech, Inc. ("Tax Tech"); Jordan Williams 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"); Julie Gerdes of Rathmann & Associates, L.P.; and Christina Miller, Aaron Carpenter, and Cheryl Panozzo of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Ms. Miller reported that the U.S. Environmental Protection Agency received a complaint regarding noxious odor at the permanent wastewater treatment plant ("WWTP"). Discussion ensued regarding the fact that the WWTP is not yet operational.

Ms. Miller also reported that the District received a Notice of Violation from the Fort Bend County Environmental Health Department stating that property at the WWTP site needed to be mowed and indicated that Champions had mowed the property.

Mr. Browne then reported that MDS was contacted by the Texas Commission on Environmental Quality ("TCEQ") regarding odor at the permanent WWTP. He noted that because the WWTP is not yet operational, the TCEQ performed an inspection of the interim WWTP.

MINUTES

The Board reviewed the minutes of the regular meeting held on August 10, 2021. After review and discussion, Director Bridges moved to approve the minutes of the regular meeting held on August 10, 2021, as submitted. Director Lajoie seconded the motion, which passed by unanimous vote.

ENGAGE AUDITOR TO CONDUCT AUDIT FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2021

The Board reviewed an engagement letter to perform the District's audit for the fiscal years ending September 30, 2021, and September 30, 2022. Following review and discussion, Director Bridges moved to (1) engage Mark C. Eyring, CPA, PLLC to perform the audits for the District's fiscal years ending September 30, 2021, and September 30, 2022; and (2) authorize execution of the engagement letter and direct that the engagement letter be filed appropriately and retained in the District's official records. Director Mathews seconded the motion, which passed by unanimous vote.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Flores reviewed the tax assessor/collector's report, a copy of which is attached. She reported that 97.05% of the 2020 tax levy had been collected as of August 30, 2021. Ms. Flores then reported that the District's delinquent tax attorney is requesting authorization from the Board to set up a payment plan with Star Cinema for payment of its delinquent 2021 taxes. After review and discussion, Director Lajoie moved to (1) approve the tax assessor/collector's report and payment of the bills listed in the report; and (2) authorize the District's delinquent tax attorney to set up a payment plan with Star Cinema. Director Bridges seconded the motion, which passed by unanimous vote.

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 9:49 a.m. No members of the public came forward to make comments. Director Lewis closed the public hearing at 9:50 a.m.

Ms. Gerdes reviewed a 2021 tax rate recommendation letter and analysis, and a homestead exemption analysis with the Board, copies of which are attached. She recommended a debt service tax rate of \$0.65 per \$100 of assessed valuation. The Board discussed a proposed maintenance tax rate of \$0.26 per \$100 of assessed valuation.

Ms. Miller presented to the Board an Order Levying Taxes for 2021 reflecting a total \$0.91 tax rate comprised of \$0.65 for debt service and \$0.26 for operations and maintenance. Ms. Miller next presented to the Board an Amendment to Information Form reflecting the 2021 tax rate. After review and discussion, Director Bridges moved to adopt the Order Levying Taxes as presented, approve and authorize execution of the Amendment to Information Form, and direct that the Order and the Amendment be filed appropriately and retained in the District's official records. Director Mathews seconded the motion, which passed unanimously. The Board confirmed its intention that the 2021 tax levy includes a debt service component for the calendar year ending December 31, 2022, and a maintenance tax component for the fiscal year ending September 30, 2022.

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 that the Board approve check no. 1302 to Nunn Constructors, Ltd. ("Nunn") in the amount of \$14,996.94, subject to Board approval during the engineer's report.

Ms. Austin reviewed a proposed budget for the fiscal year ending September 30, 2022, a copy of which is attached. The Board requested that the bookkeeper make the following changes to the proposed budget: (1) increase general legal fees to \$220,000; (2) decrease construction legal fees to \$40,000; (3) decrease park planning legal fees to \$20,000; and (4) remove the expense line item for county agreements legal fees in the amount of \$15,000.00.

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, as well as check no. 1302 to the Nunn in the amount of \$14,996.94, subject to Board approval during the engineer's report; and (2) adopt the budget for the fiscal year ending September 30, 2022, as revised. Director Lajoie seconded the motion, which passed by unanimous vote.

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 94.9% and reported on maintenance performed at the District's facilities.

Mr. Browne reported that the District provided water via interconnect to Fort Bend County Municipal Utility District No. 133 ("FB MUD 133") during a repair at the FB MUD 133 water plant.

Mr. Browne presented a brochure on pet waste (the "Brochure"), a copy of which is included in the operator's report, and requested approval from the Board to insert the Brochure in the water bill.

Ms. Miller reviewed a memorandum with the Board regarding legislative changes to Section 182.052, Utilities Code, relating to confidentiality of certain personal and billing information of utility customers, a copy of which is attached. She said such information must be kept confidential, with certain exceptions, unless the customer requests disclosure. Ms. Miller discussed the requirement for the District to provide notice of the customer's right to request disclosure, along with a request form, by including the notice and form with the utility bills sent to customers or by posting the notice and form on the District's website. Mr. Browne confirmed that MDS received the required notice and form language from ABHR for inclusion on the utility bills. After discussion, the Board concurred to include the notice and form with the utility bills.

In response to inquiries by Directors Lewis and Mathews, Mr. Browne discussed MDS' hurricane preparedness plan for the District, including generator testing.

After review and discussion, Director Lajoie moved to (1) approve the operator's report; (2) authorize MDS to include the Brochure in the water bill; and (3) authorize MDS to turn over one account in the total amount of \$206.54, deemed to be uncollectible, to a collection agency. Director Bridges seconded the motion, which passed by unanimous vote.

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 Bridges seconded the motion, which passed by unanimous vote.

GARBAGE AND RECYCLING SERVICE MATTERS

There was no discussion on this matter.

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. She reviewed a memorandum from NFBWA, a copy of which is attached, regarding the proposed pumpage fee and surface water fee increase that will take effect on January 1, 2022.

Ms. Miller reported that NFBWA is planning to install an automated meter reading system to read groundwater well meters within NFBWA. She noted that NFBWA will pay all costs for the system and installation once a Right of Entry Agreement between the District and NFBWA is finalized. Following review and discussion, Director Lewis moved to authorize execution of the Right of Entry Agreement, and direct that it be filed appropriately and retained in the District's files. Director Bridges seconded the motion, which passed unanimously.

Ms. Miller reported that R.G. Miller is preparing a package to submit to NFBWA requesting reimbursement to the District for construction costs associated with extending a water line to the District's water plant no. 2 pursuant to the Water Supply Letter Agreement between the District and NFBWA.

Discussion ensued regarding holding a District event (the "Event") on water conservation in the fall. Following discussion, the Board concurred to put the Event on hold.

The Board discussed a rain barrel giveaway contest to promote water conservation. Following discussion, Director Mathews moved to (1) authorize MDS to order six rain barrels to give away to residents this year; and (2) authorize Director Lajoie to post a message regarding the contest on the District's website. Director Bridges seconded the motion, which passed by unanimous vote.

Ms. Miller reported that the NFBWA regular Board meetings will currently take place at the offices of BGE Inc. She noted that the next meeting is scheduled for September 22, 2021, at 6:00 p.m., and NFBWA is making available a video and telephone option to allow members of the public to attend the meeting virtually.

DEVELOPMENT IN THE DISTRICT

Ms. Miller reviewed a Third Amendment to Development Financing Agreement between the District and Parkway Lakes Master, Ltd. ("Parkway Lakes"). She noted that the Development Financing Agreement is being amended to allow for the proposed multi-family developments by Alliance Residential Company ("Alliance") and Trammell Crow Residential.

Ms. Miller then reviewed a letter agreement with Pelican Residential LLC ("Pelican") related to its proposed development in the District to be located at the

intersection of North Park Drive and Park Westheimer Boulevard. The letter agreement states that the District will allow Pelican to construct the requested storm sewer facilities under the development's private roads so long as Pelican obtains a two-year warranty bond with the District included as an obligee in connection with Pelican's award of the construction contract for the private road facilities.

Ms. Miller also reviewed a letter agreement with Parkway Lakes and D-W South Tract, LLC, an affiliate of Parkway Lakes, and a Partial Assignment of Reimbursement (the "Partial Assignment") between Pelican and Parkway Lakes regarding funding of certain storm sewer facilities to serve the proposed development of Pelican. She stated that, by consenting to the Partial Assignment, the District acknowledges the assignment of Pelican's rights to receive reimbursement from the District to Parkway Lakes for D-W South Tract, LLC's funding of the storm sewer facilities to serve the proposed development.

Following review and discussion, Director Mathews moved to (1) approve the Third Amendment to Development Financing Agreement; (2) approve the letter agreement with Pelican; (3) approve the letter agreement with Parkway Lakes and D-W South Tract, LLC; (4) consent to the Partial Assignment and authorize the President of the Board to execute the consent to the Partial Assignment; and (5) and direct that such documents be filed appropriately and retained in the District's official records. Director Lajoie seconded the motion which passed by unanimous vote.

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, INCLUDING PROPOSALS FOR SECURITY SERVICES

Ms. Williams gave an update on construction of the permanent WWTP and lift station and stated construction is 98% complete. She recommended approval of Pay Estimate No. 19 in the amount of \$41,973.20 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 98% complete. She recommended that the Board approve Pay Estimate No. 26 in the amount of \$14,996.94 to 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 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 complete.

SUB-REGIONAL DETENTION PHASE II

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

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 reviewed a Utility Commitment Letter to Alliance for 172 equivalent single-family sanitary sewer and water connections ("ESFC") for a proposed multi-family development in the District at the northeast corner of Bellaire Boulevard and North Park Drive.

Ms. Miller then reviewed a Utility Commitment Letter to Trammel Crow Residential for 155 ESFCs for a proposed multi-family development in the District at the northwest corner of Park Westheimer Road and Peek Road.

Ms. Williams gave an update on the request to the District from Fort Bend County (the "County") to donate a 0.1371-acre permanent drainage easement necessary for the County's future Peek Road project and noted she requested a conceptual design from the County in order to determine the impact, if any, on planned District facilities.

The Board discussed filing an updated Critical Load Spreadsheet to include the permanent WWTP and Water Plant No. 2.

After review and discussion, and based on the engineer's recommendation, Director Bridges moved to (1) approve the engineer's report; (2) approve Pay Estimate No. 19 in the amount of \$41,973.20 to C4 Partners for construction of the permanent WWTP and lift station; (3) approve Pay Estimate No. 26 in the amount of \$14,996.94 to Nunn for construction of Water Plant No. 2; (3) approve the Utility Commitment Letter to Alliance; (4) approve the Utility Commitment Letter to Trammel Crow Residential; and (5) authorize filing of the Critical Load Spreadsheet as discussed and direct that it be filed appropriately and retained in the District's official records. Director Lajoie seconded the motion, which passed by unanimous vote.

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 reviewed the attached District Detention and Drainage Facilities Tree Report and stated the proposed cost for Champions to trim 584 of the District's trees is \$42,778.00. Following review and discussion, the Board requested that Champions obtain a second proposal to trim the District's trees to be presented at the next meeting.

Following review and discussion, Director Bridges moved to accept the report from Champions. Director Mathews seconded the motion, which passed by unanimous vote.

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.

ENGINEERING MATTERS (CONTINUED)

The Board discussed requesting that contractors for future District projects attend Board meetings on a regular basis to advise the Board on project progress. The Board then discussed revising language within its construction contracts for future District projects to require restoration of third-party property to its original condition on a more timely basis. Following discussion, the Board concurred to further discuss these items prior to requesting bids for the next District project.

DISTRICT WEBSITE MATTERS

There was no discussion on this matter.

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 did not convene in Executive Session.

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

(SEAL)




Secretary, Board of Directors

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