

MINUTES OF MEETING OF THE
BOARD OF DIRECTORS
April 18, 2018

THE STATE OF TEXAS §
COUNTY OF FORT BEND §
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 47 §

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 47 (the "District") met in regular session, open to the public, at 2929 Allen Parkway, Suite 3450, Houston, Texas, 77019, its regular meeting place outside the boundaries of the District, at 12:15 p.m., on Wednesday, April 18, 2018; whereupon, the roll was called of the members of the Board, to-wit:

Jerome Cogan	President
Glenn Murray	Vice President
Lauren Svatek	Secretary
Robert "Jeff" Ford	Director
Lynette Salmon	Director

All members of the Board were present, thus constituting a quorum. Also attending the meeting were: Ms. Lori Buckner and Ms. Vanessa Hernandez of Myrtle Cruz, Inc., bookkeepers for the District; Mr. Johnny Bellamy of Municipal District Services, LLC ("MDS"), operator for the District; Ms. Debbie Arellano of Bob Leared Interests, tax assessor/collector for the District; Mr. Dennis Hughes, P.E., of Landev Engineers, Inc., engineers for the District; Messrs. Bill Blich and George Blich of Blich Associates, Inc., financial advisors for the District; Mr. David Glunt, Project Manager for Gateway Land Development/52, LP, developer of Olympia Estates Sections 9, 10, and 11, within the District; Mr. David Lucyk, representative for Equitable Home Mortgage, Inc.; Mr. Casey Collins of Kudela & Weinheimer, landscape architects for the District; Mr. Shannon Barksdale of Gehan Homes; Ms. Janet Baccus, P.E., of Jones & Carter, Inc.; and Mr. Jonathan D. Polley and Ms. Monica Garza, attorneys, and Ms. Alison Miller, paralegal, of Radcliffe Bobbitt Adams Polley PLLC ("RBAP"), attorneys for the District.

WHEREUPON, the meeting was called to order and evidence was presented that public notice of the meeting had been given in compliance with the law. The posted notices of the meeting are attached hereto.

APPROVAL OF THE MINUTES

Mr. Polley presented the minutes of the regular meeting of March 21, 2018 to the Board for approval. Upon motion by Director Svatek, seconded by Director Salmon, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the regular meeting of March 21, 2018, as written.

DEVELOPER'S REPORT

Mr. Polley reported that Ashton Woods, the developers of the proposed Shipman's Cove development, has approached Missouri City Management District No. 1 ("MCMD No. 1") for annexation because MCMD No. 1 is holding a bond authorization election in May. Mr. Polley noted that if the MCMD No. 1 bond authorization election does not pass, then Ashton Woods may again approach the District for annexation.

Mr. Glunt reported that the landscaper finished the irrigation system in Olympia Estates, Section 9 last week, and that 26 homes are under construction with 36 home sales. Mr. Glunt also reported that paving has been completed in Olympia Estates, Section 10, and builders should be onsite by the end of April. Mr. Glunt next reported that the design drawings for clearing and grubbing in Olympia Estates, Section 11 have been started.

Ms. Baccus then reported that bids were received for water, sanitary sewer and drainage facilities for the Enclave at Lake Shore Harbour (the "Enclave") development (fka Venetian Village). Ms. Baccus reported that 9 (nine) bids were received, and recommended that Gehan Homes award the contract to the lowest bid from Gonzalez Construction, in the amount of \$924,853.90. A copy of the bid tabulation is attached to the Engineer's Report and attached hereto. Mr. Polley explained that the construction contract is being entered into by Gehan Homes on behalf of the District, so the District will just need to concur with the award of the contract since the District will eventually reimburse Gehan Homes for construction of the facilities. Upon motion by Director Svatek, seconded by Director Salmon, after full discussion and the question being put to the Board, the Board voted unanimously to concur with the award of the construction contract for water, sanitary sewer and drainage facilities for the Enclave, by Gehan Homes to Gonzalez Construction, in the amount of \$924,853.90.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Arellano presented the Tax Assessor/Collector's Report for the month of March, a copy of which is attached hereto. Ms. Arellano reported that the District has collected 97.856% of its 2017 taxes to date. Upon motion by Director Svatek, seconded by Director Ford, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Tax Assessor/Collector's Report, including payment of the checks reflected therein.

DELINQUENT TAX ATTORNEY'S REPORT

Ms. Arellano presented the Delinquent Tax Attorney's Report, a copy of which is attached hereto. Ms. Arellano stated that delinquent tax demand letters will be sent out soon. Upon motion by Director Cogan, seconded by Director Murray, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Delinquent Tax Attorney's Report.

DISCUSS POTENTIAL NEED FOR BOND ELECTION, AND TAKE ANY NECESSARY ACTIONS ON SAME

Mr. Polley stated he would like to communicate with any developers that may desire to annex into the District in order to prepare a more accurate dollar amount for a potential bond authorization election. Mr. Polley recommended that the bond authorization election costs be prorated among those developers based on acreage. Mr. Polley noted that the District would be responsible for a portion of the bond authorization election because it has an existing financing agreement with Gehan Homes for the Enclave. Mr. Polley further explained that if the interested developers fund the bond authorization election, those costs would be eligible for reimbursement to the developers.

Mr. Polley stated that prior to holding the bond authorization election, the District's engineer will need to prepare a report that includes any potential future development or projects within the District. Mr. Polley then stated that the dollar amount that is included in the report will then be used as the authorization amount in the bond election. Mr. Polley also stated that if the bond authorization election passes, the District will need approval from the Texas Commission on Environmental Control prior to issuing any bonds. Mr. Polley noted that the District is not required to construct the exact projects included in the report. Director Murray then asked if it would be possible to hold a workshop meeting with Mr. Polley, Ms. Buckner and Mr. Bill Blich to further discuss the District's finances. Mr. Polley stated that it would be possible to post an agenda for a workshop meeting.

BOOKKEEPER'S REPORT

Ms. Buckner presented the Bookkeeper's Report, a copy of which is attached hereto. Ms. Buckner reviewed the District's current fund balances, expenditures, and investments, as well as the District's year-to-date revenues and expenditures. Ms. Buckner noted that the proposed budget for the fiscal year ending June 30, 2019 is included in the Bookkeeper's Report. Ms. Buckner asked the District's consultants to review the proposed budget and forward any comments to her. Ms. Buckner then stated that the proposed budget will need to be adopted at the June Board meeting. Upon motion by Director Cogan, seconded by Director Svatek, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Bookkeeper's Report, the investment report and authorize payment of checks reflected therein.

OPERATOR'S REPORT

Mr. Bellamy then presented the Operator's Report, a copy of which is attached hereto. Mr. Bellamy noted that the District currently serves 616 active connections and 95 District residents have registered to receive priority messaging updates. Mr. Bellamy also reported on the various repairs and maintenance/action items completed within the District during the month. Mr. Bellamy further reported that 42 accounts were terminated due to non-payment. Mr. Bellamy then stated that the District might want to consider sending out another notice regarding the priority messaging program before hurricane season. Director Salmon asked if anything could be provided for her to hand out to the homeowners association. Mr. Bellamy

stated that he could provide Director Salmon with the letter that gets sent out regarding the priority messaging program. Mr. Bellamy then presented the draft Water Quality Report to the Board for review. Mr. Bellamy then reported that he discussed the proposed irrigation line along the trail with Director Salmon, and the decision was made to wait on installation of an irrigation system for now. Mr. Bellamy stated that MDS has watered all the trees and plants, and that they will water them again if necessary. Upon motion by Director Svatek, seconded by Director Salmon, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operator's Report, authorize MDS to terminate service to the delinquent accounts listed in the report in accordance with the provisions of the District's Rate Order, authorize publication of the annual Water Quality Report and preparation and submittal of the 2017 Water Loss Audit Report.

ENGINEER'S REPORT

Mr. Hughes presented the Engineer's Report, a copy of which is attached hereto. Mr. Hughes reported that he received Pay Estimate No. 2, in the amount of \$233,277.59, from D. Grimm, Inc., for construction of utilities to serve Olympia Estates, Section 10 and clearing and grubbing in Olympia Estates, Section 11. Mr. Hughes also reported that he received Pay Estimate No. 1 and Final, in the amount of \$23,900, from Camino Services, for rehabilitation of the channel outfall structures in the Cumberland Drainage Channel. Mr. Hughes reported that Camino Services has completed the project.

Mr. Hughes then presented a bid tabulation for rehabilitation of the Olympia Estates ditch. Mr. Hughes recommended that the District award the contract to the low bidder, Stuckey's Contract Services, in the amount of \$13,850. Mr. Hughes reported that he has the contract documents prepared for review by RBAP.

Upon motion by Director Svatek, seconded by Director Salmon, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Engineer's Report, including: 1) Pay Estimate No. 2, in the amount of \$233,277.59, from D. Grimm, Inc., for construction of utilities to serve Olympia Estates, Section 10 and clearing and grubbing in Olympia Estates, Section 11; 2) Pay Estimate No. 1 and Final, in the amount of \$23,900, from Camino Services, for rehabilitation of the channel outfall structures in the Cumberland Drainage Channel; and 3) award of the contract for rehabilitation of the Olympia Estates ditch Stuckey's Contract Services, in the amount of \$13,850, pending review of the contract by RBAP.

UPDATE ON RECREATIONAL FACILITIES

Mr. Collins reported that he received a proposal from Earth First for installation of a drain under the jogging trail, in the amount of \$3,360. Mr. Collins stated he has had a lot of difficulty working with Earth First in the past and recommended finding someone else to complete the work. Mr. Bellamy stated that MDS could help find someone to perform the work, or possibly perform the work themselves. Mr. Collins stated that he would send the drawings for the drain to Mr. Bellamy. Upon motion by Director Cogan, seconded by Director Murray, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the Parks Committee to approve a bid for installation of a drain under the jogging trail.

Mr. Polley then reported that he spoke to Mr. Scott Elmer of Missouri City regarding possible maintenance of the District's jogging trails. Mr. Polley stated that based on preliminary information, Mr. Elmer stated he would be willing to recommend to Missouri City that they assume maintenance of the District's jogging trails, including trash pickup. Mr. Polley further stated that a requirement of Missouri City maintenance is that the trails be at least 8 feet wide. Mr. Collins stated that the District's trails are 8 feet wide. Mr. Polley then stated that he and Mr. Collins will need to meet with Missouri City to further discuss the maintenance. Mr. Polley next reported that Mr. Elmer stated there is not currently a park in the District's park zone, so Missouri City could take over the maintenance of the 8.463-acre pond tract (the "Pond Tract") if the District were to purchase and rehabilitate the Pond Tract.

Mr. Polley then reported that he has spoken with Mr. Glunt regarding the Pond Tract, and if the District acquires the Pond Tract, Mr. Glunt will rehabilitate the Pond Tract so that it is usable park space. Mr. Glunt then reviewed a layout of the proposed park with the Board, a copy of which is attached hereto. Mr. Glunt stated that he would like to swap the triangle portion of the Pond Tract for the notch of his own property that is currently in the pond. Mr. Glunt explained that this would allow him to build out three (3) additional houses while completing the pond for the District. Mr. Glunt then stated that he would be willing to clean up the lake and taper the side slopes, as well as pay for a walkway on the north side. Mr. Glunt also explained that the pond currently stays full from sheet flow from the undeveloped property in Olympia Estates, Section 11, but that once that property is developed, the storm outfall will need to discharge into the pond to keep it full. Mr. Glunt then stated that another option to aerate the pond would be to lease fountains at a cost of approximately \$2,000 per month.

Mr. Polley reminded the Board that the appraisal of the Pond Tract valued the property at around \$115,000. Mr. Polley stated that if the Board is interested in acquiring the Pond Tract, the next step is to make an offer to the property owner. Mr. Polley recommended that the Board authorize RBAP to send an initial offer letter for the appraised amount to the property owner to initiate the purchase of the pond tract. Upon motion by Director Cogan, seconded by Director Ford, after full discussion and the question being put to the Board, the Board voted unanimously to authorize RBAP to prepare and send an initial offer letter in the amount of \$115,203 to the Pond Tract property owner.

Mr. Collins then reported that he walked the entire trail with Directors Salmon and Svatek, and that he will be sending out revisions to the Phase 1 Trail Project later today.

ATTORNEY'S REPORT

Mr. Polley then presented an updated Attorney Fee Agreement to the Board, a copy of which is attached hereto. Upon motion by Director Svatek, seconded by Director Salmon, after full discussion and the question being put to the Board, the Board voted unanimously to approve the updated Attorney Fee Agreement.

MISCELLANEOUS MATTERS

Mr. Polley then reported that the next regular meeting would be held on Wednesday, May 16, 2018, at 12:15 p.m. at 2929 Allen Parkway, Suite 3450, Houston, Texas, 77019. There being no further business to come before the Board, the meeting was adjourned.

PASSED, APPROVED AND ADOPTED this 16th day of May, 2018.





Secretary, Board of Directors