

MINUTES OF MEETING OF THE  
BOARD OF DIRECTORS  
July 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, July 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 of Myrtle Cruz, Inc., bookkeepers for the District; Messrs. Josh Lee, P.E., and Stephen Swindell, P.E., of Jones Carter, Inc. ("JCI"), engineers 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; 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. Shannon Barksdale of Gehan Homes, developer of the Enclave at Lake Shore Harbour, within the District; Mr. David Lucyk, representative for Equitable Home Mortgage, Inc. and Equity Trust Company; Mr. Michael Henn of Kudela & Weinheimer, landscape architects for the District; Mr. Shane Stuckey of Stuckey's Contract Services ("Stuckey's"); Ms. Shannon Waugh of Off Cinco, website consultant; Ms. Elly Vecchio, attorney, of Hunton Andrews Kurth LLP, special counsel to the District; and Mr. Jonathan D. Polley and Ms. Monica Garza, attorneys, and Ms. Alison Miller, paralegal, of Radcliffe Bobbitt Adams Polley PLLC ("RBAP"), general counsel 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 June 20, 2018 and the special meeting of July 12, 2018 to the Board for approval. 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 approve the minutes of the regular meeting of June 20, 2018 and the special meeting of July 12, 2018, as written.

#### ENGAGEMENT OF JONES CARTER, INC. ("JCI") AS DISTRICT ENGINEER

Mr. Polley next reported that he received and reviewed JCI's Professional Service Agreement for Engineering Services (the "Engineering Agreement"). Mr. Lee then stated that he passed out copies of the Engineering Agreement and asked if anyone had any questions. 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 Engineering Agreement and engage JCI as the District's engineer.

#### DEVELOPER'S REPORT

Mr. Polley reported that RBAP has sent revised annexation documents to Equity Trust Company regarding their annexation, and that he is currently awaiting return of the executed documents.

Mr. Barksdale then reported that paving will begin in mid-August in the Enclave at Lake Shore Harbour.

Mr. Glunt reported that 10 homes will be starting construction in Olympia Estates, Section 9 in the next two (2) weeks. Mr. Glunt also reported that he has received the completion letters from Missouri City for Olympia Estates, Section 10, and that builders will begin pulling permits next week. Mr. Glunt next reported that the preliminary plat for Olympia Estates, Section 11 was approved last Wednesday.

#### TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Arellano presented the Tax Assessor/Collector's Report for the month of June, a copy of which is attached hereto. Ms. Arellano reported that the District has collected 98.8% of its 2017 taxes to date. Upon motion by Director Ford, seconded by Director Salmon, 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, INCLUDING AUTHORIZE TERMINATION OF SERVICE TO DELINQUENT TAX ACCOUNTS

Ms. Arellano presented the Delinquent Tax Attorney's Report, a copy of which is attached hereto. Ms. Arellano noted that the Delinquent Tax Attorney will be sending letters to homeowners with delinquent 2017 taxes, giving them notice of the Board's August meeting date. Upon motion by Director Murray, seconded by Director Salmon, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Delinquent Tax Attorney's Report and authorize termination of service to delinquent tax accounts.

ATTENDANCE AT ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") MID-WINTER CONFERENCE IN AUSTIN, TEXAS ON JANUARY 25-26, 2019, AND FALL SEMINAR ON OCTOBER 30, 2018

Mr. Polley stated that the AWBD Fall Seminar is being held on Tuesday, October 30, 2018 and the Mid-Winter Conference will be held on January 25-26, 2019, in Austin. Upon motion by Director Salmon, seconded by Director Ford, after full discussion and the question being put to the Board, the Board voted unanimously to authorize attendance at the AWBD Fall Seminar and Mid-Winter Conference

FINANCIAL ADVISOR'S REPORT

Mr. Bill Blich stated he is hopeful that he will receive the certified tax values this month, which he will then incorporate into his 2018 tax rate recommendation.

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. 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 Bookkeeper's Report, the investment report and authorize payment of checks reflected therein.

OPERATOR'S REPORT

Mr. Bellamy presented the Operator's Report, a copy of which is attached hereto. Mr. Bellamy noted that the District currently serves 659 active connections and 104 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 31 accounts were terminated due to non-payment.

Mr. Bellamy then reported that Hightower High School ("Hightower") has gone over their allotted water usage by 3.3 million gallons. Mr. Bellamy stated that Hightower's contract with the District states that if Hightower exceeds their allotted water usage, then they are required to either decrease their water usage or purchase additional water capacity. Mr. Polley asked Mr. Bellamy to prepare a report showing Hightower's water usage for the past three (3) years. Mr. Bellamy stated that he would prepare the usage report and have additional information at the next Board meeting. Director Murray asked what the District's options are regarding Hightower's high water usage. Mr. Bellamy stated that Mr. Polley could send a letter to Hightower to let them know about their high water usage and outline their options according to the contract with the District.

Upon motion by Director Murray, seconded by Director Ford, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operator's

Report and authorize MDS to terminate service to the delinquent accounts listed in the report in accordance with the provisions of the District's Rate Order.

### ENGINEER'S REPORT

Mr. Swindell presented the Engineer's Report, a copy of which is attached hereto. Mr. Swindell reported that he received the following pay estimates: 1) Pay Estimate No. 4 & Final, in the amount of \$47,990.58, 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. 3 & Final, in the amount of \$12,312.09, from Jaho, Inc., for construction of paving facilities in Olympia Estates, Section 10; and 3) Pay Estimate No. 1, in the amount of \$38,082.32, from Gonzalez Construction Enterprise, Inc., for the construction of water, sanitary and drainage facilities in the Enclave at Lakeshore Harbour.

Mr. Stuckey then presented a proposal for soil amendments to the Olympia Estates Ditch, in the amount of \$35,438.16. A copy of the proposal is attached hereto. Mr. Stuckey explained that there are concerns with the soil in the Olympia Estates Ditch, and that he recommends a soil amendment process that would provide nutrient rich soil to allow hydromulch to grow and stabilize. Mr. Stuckey stated that this proposal would be in addition to the contract that was previously awarded for rehabilitation of the Olympia Estates Ditch. Mr. Stuckey also stated he will personally guarantee turf establishment from the soil amendment process along with the product manufacturer.

Mr. Polley reminded the Board that because the proposal is over \$25,000, the District will have to solicit bids for the project and obtain at least two (2) additional bids. Mr. Polley then asked if it would be better to combine the soil amendment project with the rehabilitation project. Mr. Stuckey stated that it would be better to combine the two (2) projects, and noted that if the Board wants to resolicit the entire project, then he would stand behind his original proposal and pricing. Mr. Swindell then stated that he did not think there would be any savings to combine both aspects of the project.

Director Svatek stated she would like Stuckey's to inspect the other ditches in the District and make improvement recommendations. Mr. Stuckey stated he would work with Mr. Swindell to inspect the other District ditches. Mr. Swindell then stated he would work with Mr. Stuckey on ditch inspections and prepare a bid package for the soil amendment project for the Board's review at the next Board meeting. Upon motion by Director Salmon, seconded by Director Cogan, after full discussion and the question being put to the Board, the Board voted unanimously to authorize Stuckey's to perform an inspection of the District's ditches and prepare a list of recommended improvements.

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 approve the Engineer's Report and approve the following pay estimates: 1) Pay Estimate No. 4 & Final, in the amount of \$47,990.58, 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. 3 & Final, in the amount of \$12,312.09, from Jaho, Inc., for construction of paving facilities in Olympia

Estates, Section 10; and 3) Pay Estimate No. 1, in the amount of \$38,082.32, from Gonzalez Construction Enterprise, Inc., for the construction of water, sanitary and drainage facilities in the Enclave at Lakeshore Harbour.

#### DISCUSS OPTIONS FOR DISTRICT WEBSITE, AND TAKE ANY NECESSARY ACTIONS ON SAME

Ms. Waugh first presented and reviewed a proposal for District website design and maintenance services, a copy of which is attached hereto. Ms. Waugh stated that Off Cinco keeps up to date on all website compliance requirements, including the Americans with Disabilities Act. Ms. Waugh then stated that Off Cinco will perform most website updates within two (2) to four (4) hours of the request and always within 24 hours. Ms. Waugh also stated that Off Cinco offers custom website design as well as drone videos of the District. Ms. Waugh then reviewed the various monthly website maintenance options and detailed the different additional add-on items that are available. Discussion ensued regarding the various options. 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 contract with Off Cinco for the fixed layout website option at a cost of \$1,400 and maintenance option 3 in the amount of \$250 per month.

#### ATTORNEY'S REPORT

Mr. Polley reported that next month he plans to request the Board to authorize JCI to begin preparation of a bond application report in order to reimburse developers for construction of public utilities within the District and a capital improvement plan for the proposed May 2019 bond election.

#### UPDATE ON RECREATIONAL FACILITIES

Mr. Henn reported that the trail plans have been revised based on existing trail conditions. Mr. Henn then stated that authorization is needed to advertise for bids. Mr. Swindell recommended waiting one (1) month to advertise for bids so that he has time to inspect the District's ditches with Mr. Stuckey.

Director Salmon reported that the flower beds along the jogging trail have been full of weeds. Director Salmon then stated that Seaback Maintenance has been subcontracting work out to GSI, and GSI is weeding the flower beds with a weed eater instead of pulling the weeds out by the root. Director Salmon further stated that the flower beds are not being properly maintained by Seaback Maintenance, so she has requested maintenance proposals from Yellowstone Landscape and Park Rangers.

#### EXECUTIVE SESSION

Mr. Polley then adjourned the regular meeting at 2:02 p.m. and announced that the Board would convene in executive session pursuant to Chapter 551, Texas Government Code, as amended, specifically Section 551.072 regarding real estate negotiation matters.

Directors Cogan, Svatek, Murray, Ford and Salmon, and Mr. Swindell, Ms. Vecchio, Mr. Polley, Ms. Garza and Ms. Miller remained in the executive session.

RECONVENE IN OPEN SESSION

Director Cogan then reconvened the meeting in open session at 2:50 p.m., at which time the following action was taken: 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 Ms. Vecchio to obtain a title insurance policy on the 8.463-acre pond tract located north of the Olympia Estates Ditch and east of the Mustang Bayou Diversion Channel at a cost not to exceed \$1,000.

Mr. Polley then exited the meeting at 2:50 p.m.

SUPPLEMENTAL NOTICE OF PUBLIC MEETING

Ms. Garza then reviewed the Supplemental Agenda regarding the District's upcoming November 6, 2018 directors election, a copy of which is attached hereto. Ms. Garza noted that terms of Directors Cogan, Murray and Svatek are expiring this November.

MISCELLANEOUS MATTERS

Ms. Garza recommended the District contract with Fort Bend County (the "County") to conduct the election. Ms. Garza then presented a Joint Election Agreement and Contract for Election Services (the "Agreement") between the County and the District for the Board's approval, a copy of which is attached hereto, and explained that RBAP will only release the signature pages if the election is contested. 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 execution of the Agreement.

The Board then determined that canvassing of the election results will occur on November 15, 2018 at 6:00 p.m.

Ms. Garza then reported that the next regular meeting would be held on Wednesday, August 15, 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 15<sup>th</sup> day of August, 2018.



  
Secretary, Board of Directors