

October 17, 2018

THE STATE OF TEXAS

COUNTY OF FORT BEND

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 47

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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, October 17, 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, except Director Murray, thus constituting a quorum. Also attending the meeting were: Ms. Lori Buckner of Myrtle Cruz, Inc., bookkeepers for the District; Messrs. Stephen Swindell, P.E., and Victor Saenz, E.I.T., of Jones Carter, Inc., 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; Mr. George Blich of Blich Associates, Inc., financial advisors for the District; Mr. Brian Toldan of McCall Gibson Swedlund Barfoot PLLC ("MGSB"), auditors 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; Ms. Janet Baccus, P.E., of Jones & Carter, Inc.; Mr. Shane Stuckey of Stuckey's Contract Services ("Stuckey's"); Messrs. Casey Collins and Daniel Lozano of Halff Associates, Inc.; 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 September 19, 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 September 19, 2018, as written.

REVIEW AND APPROVE AUDIT REPORT FOR FISCAL YEAR ENDED JUNE 30, 2018
AND AUTHORIZE FILING OF SAME

Mr. Toldan presented the District's audit report and management letter for the fiscal year ended June 30, 2018, copies of which are attached hereto. Mr. Toldan reported that MGSB has issued a clean opinion. 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 audit report for the fiscal year ended June 30, 2018, and authorize RBAP to file such audit with the appropriate governmental authorities.

AUTHORIZE FINANCIAL ADVISOR TO PREPARE AND ATTORNEY TO FILE
CONTINUING DISCLOSURE

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 the Financial Advisor to prepare and RBAP to file the appropriate continuing disclosure reports on behalf of the District.

DEVELOPER'S REPORT

Mr. Polley reported that the 8.6782 acre Equity Trust Company annexation tract has been submitted to Missouri City for approval. Mr. Polley noted that RBAP still needs to receive the certificates of authority from Equity Trust Company before the annexation can be finalized.

Mr. Glunt then reported that 73 lots have been sold, with 60 homes under construction in Olympia Estates, Section 9. Mr. Glunt next reported the construction in Olympia Estates, Section 10 should start next month. Mr. Glunt also reported that clearing and grubbing has been completed in Olympia Estates, Section 11 and the preliminary plat will be filed next month.

Mr. Barksdale next reported the Enclave at Lake Shore Harbour is in the paving stage and sidewalk construction will begin soon. Mr. Barksdale stated he expects all of the pavement to be completed by the end of the year. Mr. Polley then reminded the Board that Mr. Barksdale has requested an encroachment to transition fill onto the drainage channel to allow the lots to drain to the front. Mr. Swindell reported he inspected the area and that all of the trees are brush trees. Director Svatek asked if the District could receive new trees in exchange for the encroachment. Mr. Swindell stated he would work with Jones & Carter on the agreement and request for new trees in exchange for the encroachment. Ms. Baccus then stated that Fort Bend County Municipal Utility District No. 48 ("FBMUD No. 48") has already verbally agreed on the encroachment. 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 encroachment to transition fill onto the drainage channel, with the inclusion of replacement trees.

DISTRICT WEBSITE

Director Salmon asked that the photo of the Lake Shore Harbour clubhouse be removed from the website since it is not within the District. Mr. Polley stated he would have the photo removed.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Arellano presented the Tax Assessor/Collector's Report for the month of September, a copy of which is attached hereto. Ms. Arellano reported the District has collected 99.525% of its 2017 taxes to date. 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 Tax Assessor/Collector's Report, including payment of the checks reflected therein.

DELINQUENT TAX ATTORNEY'S REPORT

Ms. Arellano next presented the Delinquent Tax Attorney's Report, a copy of which is attached hereto. 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 approve the Delinquent Tax Attorney's Report.

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 Ford, 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.

ENGINEER'S REPORT

Mr. Swindell presented the Engineer's Report, a copy of which is attached hereto. Mr. Swindell reported that he received Pay Estimate No. 2, in the amount of \$85,560, and Pay Estimate No. 3 and Final, in the amount of \$25,004.50, both from Triple B Services, for the Olympia Estates, Section 11 Clearing and Grubbing. Mr. Swindell also requested authorization to advertise for bids for the Olympia Estates, Section 11 utilities.

Mr. Swindell next recommended the sidewalk repairs and maintenance berm regrading along the detention channel behind Cumberland Drive and Truesdale Drive be combined into one design package.

Mr. Swindell then reported he is continuing to work on the District's Capital Improvement Plan ("CIP"). Mr. Swindell stated he is waiting on information from Missouri City's CIP to include in the District's CIP.

Mr. Swindell next reported he anticipates having the draft Bond Application Report (the "BAR") distributed to RBAP and the District's developers for review next week. Mr. Polley stated he will include an item on the agenda for next month to approve the BAR and authorize submission to the Texas Commission on Environmental Quality.

Mr. Polley then reminded the Board that Mr. Glunt has requested that a letter be sent to the Olympia Estates, Section 9 residents on the status of the drainage ditch improvements. Mr. Swindell stated the silt fence needs to be relocated to the property line so that the ditch can be mowed. Mr. Glunt stated he will have the silt fence moved.

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, Pay Estimate No. 2, in the amount of \$85,560, and Pay Estimate No. 3 and Final, in the amount of \$25,004.50, both from Triple B Services, for the Olympia Estates, Section 11 Clearing and Grubbing, authorize advertising for bids for the Olympia Estates, Section 11 utilities and approve a letter to Olympia Estates, Section 9 residents regarding ditch improvements.

PROPOSALS FOR LANDSCAPING MAINTENANCE

Mr. Stuckey then presented a proposal for landscape maintenance, a copy of which is attached hereto. Mr. Stuckey explained the proposal for landscape maintenance can be an exhibit to the detention pond maintenance and channel service agreement. Mr. Stuckey noted he did not include an item for emptying trashcans. Director Svatek added that MDS currently empties the trashcans. Mr. Bellamy stated it is probably more cost effective for Stuckey's to empty the trashcans. Mr. Stuckey stated he would add the item to the proposal. Mr. Stuckey then explained that Stuckey's will use a subcontractor to handle the landscape maintenance, but that Stuckey's will still oversee the work. Upon motion by Director Svatek, seconded by Director Cogan, after full discussion and the question being put to the Board, the Board voted unanimously to approve the detention pond and channel service agreement, with Exhibit B for landscape maintenance.

OPERATOR'S REPORT

Mr. Bellamy presented the Operator's Report, a copy of which is attached hereto. Mr. Bellamy noted the District currently serves 691 active connections and 116 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 59 accounts were terminated due to non-payment.

Mr. Bellamy next reported that Hightower High School ("Hightower") would like to install an irrigation tap. Mr. Swindell stated that Hightower sent plans for an irrigation line that tapped into a private line. Mr. Swindell explained that Hightower cannot tap into a private line, so Hightower can either purchase a meter the school installs, or have MDS install the meter and pay the tap fee per the District's Rate Order. Mr. Polley stated that Hightower will also have to buy additional capacity from Missouri City. Mr. Polley also stated some utility districts will lower the tap fee for governmental entities or non-profit organizations. Mr. Polley reported the

District's current tap fee for non-profit entities is the actual tap cost plus \$10,000. Mr. Polley stated the District can choose to make an exception for Hightower. The Board then concurred to authorize the irrigation tap for Hightower at the actual cost.

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 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 and authorize the irrigation tap for Hightower at actual cost.

ATTORNEY'S REPORT

Mr. Polley next asked if the Board would like to move the November Board meeting date since the November Board meeting is currently scheduled for the day before Thanksgiving. The Board concurred to move the November Board meeting date to Wednesday, November 14th at 12:15 p.m.

UPDATE ON RECREATIONAL FACILITIES

Mr. Collins then reviewed proposals from Halff for the District's Trail Project and the maintenance berm regrading project. Discussion ensued regarding the projects. Upon motion by Director Svatek, seconded by Director Cogan, after full discussion and the question being put to the Board, the Board voted unanimously to approve engagement of Halff for the Trail Project and regrading project, subject to review of the engagement letter by RBAP and approval by Director Svatek.

Mr. Glunt next reported he received a proposal for a solar light leasing program that would lease solar lights at a cost of \$13 per light per month, including maintenance, for a five (5) year period. Mr. Glunt stated the light vendor will be installing several of the solar lights in FBMUD No. 48 as a demonstration. Mr. Glunt further stated he will send Mr. Polley pictures of the solar lights to distribute to the Board.

EXECUTIVE SESSION

Mr. Polley then adjourned the regular meeting at 1:52 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, Ford and Salmon, and Mr. Swindell, Mr. Saenz, 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 2:30 p.m., at which time no further action was taken

MISCELLANEOUS MATTERS

Mr. Polley then reminded the Board that the next regular meeting would be held on Wednesday, November 14, 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 14th day of November, 2018.



Secretary, Board of Directors