

January 16, 2019

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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, January 16, 2019; whereupon, the roll was called of the members of the Board, to-wit:

President
Vice President
Secretary
Assistant Secretary
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., bookkeeper for the District; Messrs. Stephen Swindell, P.E., and Victor Saenz, E.I.T., of Jones Carter, Inc., engineers for the District; Ms. Rebecca Marcucci of Municipal District Services, LLC ("MDS"), operator for the District; Ms. Debbie Arellano of Bob Leared Interests, tax assessor/collector for the District; Mr. Bill Blitch of Blitch 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. and Equity Trust Company; and Mr. Jonathan D. Polley, attorney, 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 December 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 December 19, 2018, as written.

DEVELOPER'S REPORT

Mr. Glunt reported that there are five (5) empty lots remaining in Olympia Estates, Section 9. Mr. Glunt next reported that the first slab has been poured and CenterPoint Energy

has completed a walk-through in Olympia Estates, Section 10. Mr. Glunt also reported that construction will begin on January 21st in Olympia Estates, Section 11, and all of the lots have been sold to builders. Mr. Polley asked about the status of the bridge crossing over the Olympia Ditch. Mr. Glunt stated the bridge has been approved but will not be installed until Olympia Estates, Section 11 has been completed.

Mr. Polley next reported the 8.6782-acre Equity Trust Company annexation is still pending with Missouri City for consent to proceed with annexation. Mr. Polley stated a draft of the utility agreement that will allow Missouri City to serve the tract as a retail customer has been sent to Missouri City for review. Mr. Polley then asked for approval of the utility agreement, subject to final review and approval by RBAP. Upon motion by Director Ford, seconded by Director Cogan, after full discussion and the question being put to the Board, the Board voted unanimously to approve the utility agreement with Missouri City, subject to final review and approval by RBAP.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Arellano presented the Tax Assessor/Collector's Report for the month of December, a copy of which is attached hereto. Ms. Arellano reported the District has collected 59.433% of its 2018 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 Cogan, 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.

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.

FINANCIAL ADVISOR'S REPORT, INCLUDING RECOMMENDATION FOR EXEMPTIONS FROM TAXATION FOR 2019 TAX YEAR

Mr. Blitch handed out and reviewed his analysis of how a 20% homestead exemption would have impacted the District's taxes collected in 2018, and how a 20% homestead exemption would likely impact the taxes if applied in 2019, a copy of which is attached. Discussion regarding the potential exemptions ensued.

ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION FOR 2019

The Board next considered granting tax exemptions for the 2019 tax year, including exemptions for homesteads, residents 65 years of age and older and disabled residents. Mr. Polley reminded the Board that in the past, the District has granted an exemption of \$3,000 for individuals who are disabled or 65 years of age or older, but has not previously granted a homestead exemption. 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 adopt the Resolution Concerning Exemptions from Taxation for 2019 Tax Year, a copy of which is attached hereto, which includes a \$3,000 exemption for individuals who are disabled or 65 years of age or older.

ADOPT RESOLUTION IMPLEMENTING PENALTY ON 2018 DELINQUENT TAXES AND CONTRACTING WITH ATTORNEY TO COLLECT DELINQUENT TAXES

Mr. Polley explained that pursuant to Sections 6.30, 33.07, 33.08 and 33.11 of the Texas Property Tax Code, as amended, the District may levy an additional 20% penalty on 2018 real property taxes that remain delinquent as of July 1, 2019, and on 2018 personal property taxes that remain delinquent as of April 1, 2019, if the Board has entered into an agreement with an attorney for the collection of delinquent taxes and adequate notice of such penalty is provided to property owners. 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 adopt the Resolution Implementing Penalty on 2018 Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Taxes, a copy of which is attached hereto.

RESOLUTION REQUESTING FORT BEND CENTRAL APPRAISAL DISTRICT FOR AN ESTIMATED APPRAISAL OF PROPERTY

Upon motion by Director Cogan, seconded by Director Salmon, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Resolution Requesting Fort Bend Central Appraisal District for an Estimated Appraisal of Property.

ENGINEER'S REPORT

Mr. Swindell presented the Engineer's Report, a copy of which is attached hereto. Mr. Swindell reported that construction is nearing completion at the Enclave at Lakeshore Harbour, and an inspection will be conducted soon.

Mr. Swindell next reported that he received the necessary information from Missouri City to include in the District's Capital Improvement Plan ("CIP"). Mr. Swindell reviewed the CIP with the Board and stated it includes a total bond requirement of \$30,000,000 for potential capital expenditures over the next 5-10 years. Mr. Swindell recommended using \$30,000,000 for the potential bond authorization election.

Mr. Swindell next reviewed with the Board a cost summary for the Bond Application Report (the "BAR"), a copy of which is attached hereto. Mr. Swindell stated he is still waiting on supporting reimbursement documentation from Skymark for Venetian Village to complete the BAR. Mr. Swindell explained that this bond issue will exhaust the current remaining bond

authorization. Mr. Swindell also stated that Mr. Blich has reviewed the BAR and he will be sending it to RBAP for review in the next week. Mr. Polley stated that the Board will need to adopt the Resolution Authorizing Application to the Texas Commission on Environmental Quality (the "TCEQ") for Approval of Project and Issue of Bonds at today's meeting in order to submit the BAR to the TCEQ for approval.

Director Cogan then stated that there are issues with the Vicksburg Ditch that the District shares with Fort Bend County Municipal Utility District No. 48 ("MUD 48"). Director Cogan explained that MUD 48's side of the ditch looks properly maintained, but the District's side does not look properly maintained. Mr. Polley stated that he will look into the issue.

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 Engineer's Report and adopt the Resolution Authorizing Application to the TCEQ for Approval of Project and Issue of Bonds.

OPERATOR'S REPORT

Ms. Marcucci presented the Operator's Report, a copy of which is attached hereto. Ms. Marcucci noted the District currently serves 703 active connections and 118 District residents have registered to receive priority messaging updates. Ms. Marcucci also reported on the various repairs and maintenance/action items completed within the District during the month. Ms. Marcucci further reported that 48 accounts were terminated due to non-payment.

Ms. Marcucci then reported that MDS applied Roundup weed killer to the crushed granite around the park benches and that they continue to empty the trash cans and dog stations. Ms. Marcucci asked if MDS is supposed to continue emptying the trash and dog stations, or if Stuckey's will be taking over those duties. Director Svatek stated she will contact Stuckey's regarding their contracted duties.

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 Operator's Report and authorize termination of service for the delinquent accounts listed in the report in accordance with the provisions of the District's Rate Order.

DRAINAGE FACILITY MAINTENANCE REPORT

Mr. Polley reported the tract across from the 8.6782-acre Equity Trust Company tract has been annexed into Fort Bend County Municipal Management District No. 1 ("MD 1"). Mr. Polley explained the tract will need a drainage outfall and that they could potentially drain into the Olympia Estates Drainage Channel that the District currently shares with MUD 48. Mr. Polley stated that MUD 48 has approached the District about reallocating the capacity and maintenance costs due to actual usage of the drainage channel. Mr. Polley reminded the Board that the District and MUD 48 each currently fund 50% of the maintenance costs of the drainage channel. Mr. Polley then stated that he has prepared a pro rata share analysis that includes the District, MUD 48 and MD 1 that shows the District would be responsible for 78.28% of the maintenance costs if the usage of the drainage channel is not equivalent. Mr. Glunt stated that the District could also take over maintenance of the drainage channel completely. Discussion

ensued regarding maintenance of the drainage channel and allocation of maintenance costs. Mr. Polley stated he would convey the Board's thoughts to MUD 48, based on the discussion.

ATTORNEY'S REPORT

Mr. Polley next reported that Acclaim Energy Advisors ("Acclaim") has requested an agenda item to discuss the retail electric market outlook. Mr. Polley stated that the District's current electricity contract expires in 2021, but that lower pricing could be locked in now for when the current contract expires. The Board concurred to have Acclaim attend the February Board meeting.

UPDATE ON RECREATIONAL FACILITIES

Mr. Polley reported that RBAP is still working on the contract with Halff Associates for the Phase I jogging trail project. Mr. Polley stated that RBAP will be finalizing the agreement with Halff Associates and then circulating the contract to Director Cogan for signature before the February Board meeting. Mr. Polley then requested authorization for Halff Associates to advertise for bids for the Phase I jogging trail project.

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 Halff Associates to advertise for bids for the Phase I jogging trail project.

SUPPLEMENTAL NOTICE OF PUBLIC MEETING

Mr. Polley then reviewed the Supplemental Agenda regarding the District's proposed May 4, 2019 Bond Authorization Election, a copy of which is attached hereto.


Mr. Polley explained that the District is required to appoint a Designated Agent and post notice of the designation. Mr. Polley noted that RBAP typically serves as the Designated Agent. Mr. Polley then presented the District's Order Calling Bond Election for the Board's adoption. Mr. Polley also stated the District will be able to contract with Fort Bend County to administer the election. Mr. Polley noted the joint election agreement between the District and Fort Bend County has not yet been received, but should be received soon. Mr. Polley recommended that the Board approve the joint election agreement with Fort Bend County pending RBAP's review of such agreement. 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: 1) appoint RBAP as the Designated Agent; 2) adopt the Order Calling Bond Election for the May 4, 2019 Bond Election; and 3) approve the joint election agreement with Fort Bend County, pending review by RBAP.

MISCELLANEOUS MATTERS

Mr. Polley then reminded the Board that the next regular meeting would be held on Wednesday, February 20, 2019, 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 20th day of February, 2019.




Secretary, Board of Directors