

MINUTES OF MEETING OF THE
BOARD OF DIRECTORS
February 20, 2019

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, February 20, 2019; whereupon, the roll was called of the members of the Board, to-wit:

Jerome Cogan	President
Lynette Salmon	Vice President
Lauren Svatek	Secretary
Robert "Jeff" Ford	Assistant Secretary
Glenn Murray	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; Messrs. Bill Blich and George Blich of Blich Associates, Inc., financial advisors for the District; Mr. Eric Ungar of Skymark Development Co., Inc., developer of Lake Shore Harbour ("LSH"), Sections 6 and 7 within 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; Messrs. Casey Collins and Chad Easter of Halff Associates, Inc., landscape architect for the District; Mr. Mike Orlando of Acclaim Energy Advisors, energy broker for the District; 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 January 16, 2019 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 January 16, 2019, as written.

ACCLAIM ENERGY ADVISORS PRESENTATION REGARDING RETAIL ELECTRIC MARKET OUTLOOK

Mr. Orlando reviewed a list of energy providers' current electricity rates, a copy of which is attached hereto. Mr. Orlando stated the District's current electricity contract with Cavallo Energy Texas LLC ("Cavallo") is set to expire in June 2021, and the current price is \$0.04141 per kWh. Mr. Orlando recommended executing a new contract with Cavallo to lock in a future rate of \$0.04628 per kWh, for a total yearly increase of around \$248, based on the District's average electricity usage. 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 appoint Director Ford as the liaison and to authorize Director Ford to execute a new electricity contract to begin upon expiration of the District's current contract.

DEVELOPER'S REPORT

Mr. Ungar reported that LSH, Section 6 is fully built out and work is finishing up in LSH, Section 7.

Mr. Glunt then reported that there are five (5) empty lots remaining in Olympia Estates, Section 9. Mr. Glunt next reported that six (6) lots are under construction and CenterPoint Energy has installed electricity in Olympia Estates, Section 10. Mr. Glunt also reported the underground utilities are being constructed in Olympia Estates, Section 11.

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 he has exchanged comments with Missouri City on a draft of the utility agreement that will allow Missouri City to serve the tract as a retail customer. Mr. Polley further stated that he is waiting to hear from Missouri City regarding additional revisions to the utility agreement.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Arellano presented the Tax Assessor/Collector's Report for the month of January, a copy of which is attached hereto. Ms. Arellano reported the District has collected 94.716% of its 2018 taxes to date. 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 approve the Tax Assessor/Collector's Report, including payment of the checks reflected therein.

FINANCIAL ADVISOR'S REPORT

Mr. Blich reviewed a handout with the Board regarding the District's tax rate and a future bond sale, a copy of which is attached hereto. Mr. Blich reported the District can issue the proposed bond issue and not have to raise its tax rate.

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.

AUTHORIZE ATTENDANCE AT ASSOCIATION OF WATER BOARD DIRECTORS – TEXAS (“AWBD”) ANNUAL CONFERENCE IN FORT WORTH, TEXAS, JUNE 13-15, 2019 AND SPRING BREAKFAST ON APRIL 12, 2019

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 attendance at the AWBD Annual Conference and Spring Breakfast.

ENGINEER'S REPORT

Mr. Swindell presented the Engineer's Report, a copy of which is attached hereto. Mr. Swindell reported that utility construction is complete at the Enclave at Lakeshore Harbour. Mr. Swindell then presented Pay Estimate No. 6 and Final, from Gonzalez Construction Enterprise, Inc., in the amount of \$175,545.74.

Mr. Swindell next reported that he received information from Missouri City representatives that there are no plans to consolidate or transfer flow of the District's wastewater to another WWTP, and that the District will not be subject to any cash calls regarding maintenance or capital improvements at the water plants. As a result, Mr. Swindell explained that the District's Capital Improvement Plan (“CIP”) will not need to include these items. Mr. Polley noted that the legal fee calculation on the summary of bond authorization needs is calculated incorrectly, and should be \$600,000 instead of \$1,080,000. Mr. Swindell stated he would make the necessary revisions.

Mr. Swindell then stated he is still waiting on supporting reimbursement documentation from Skymark for Venetian Village to complete the Bond Application Report.

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 Engineer's Report and concur with payment of Pay Estimate No. 6 from Gonzalez Construction Enterprise, Inc., in the amount of \$175,545.74.

OPERATOR'S REPORT

Ms. Marcucci presented the Operator's Report, a copy of which is attached hereto. Ms. Marcucci noted the District currently serves 716 active connections and 125 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 22 accounts were terminated due to non-payment. Ms. Marcucci then requested approval to move two (2) accounts, in the total amount of \$258.49, to collections.

Ms. Marcucci next reported the hole in the Fort Bend County MUD No. 48 line down Truesdale made by a Verizon subcontractor has been repaired. Ms. Marcucci stated that MDS utilized the District's priority alert system regarding the incident.

Ms. Marcucci then reported that plans have been received from Hightower High School for Hall Stadium. Mr. Swindell stated that there is not a backflow preventer at Hightower High School. Mr. Swindell then stated he will review the plans and determine if a backflow preventer will be needed.

Ms. Marcucci also requested approval to install crushed granite and repair the entrance to Lift Station No. 2 because the area is very muddy and difficult to access.

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 approve the Operator's Report, authorize termination of service for the delinquent accounts listed in the report in accordance with the provisions of the District's Rate Order, authorize moving two (2) accounts in the total amount of \$258.49 to collections and approve the installation of crushed granite at the entrance to Lift Station No. 2.

DRAINAGE FACILITY MAINTENANCE REPORT

Mr. Stuckey presented a proposal for fire ant removal and bait in the amount of \$3,350, a copy of which is attached hereto. Mr. Stuckey stated that the fire ant bait is applied once per year. Mr. Stuckey also presented an updated Exhibit B to the Detention Pond Maintenance Agreement, a copy of which is attached hereto. Mr. Stuckey explained that he has added flower bed and ground cover maintenance, herbicide of the bench areas and trash removal. 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 proposal for fire ant removal and bait in the amount of \$3,350 and approve the revised Exhibit B.

MOSQUITO SPRAYING AGREEMENT WITH MARATHON PEST CONTROL

Mr. Polley reported that Marathon Pest Control is requesting annual confirmation of the District's contract for mosquito spraying. Mr. Polley stated the cost is not increasing for 2019. 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 existing agreement with Marathon Pest Control for mosquito spraying services.

ATTORNEY'S REPORT

Mr. Polley reported that Texas Local Government Code, Sections 203.062 and 403.0241, requires the annual filing of certain financial and tax-related information by all Special Purpose Districts in a Special Purpose District Information Database. Mr. Polley noted that such information must be filed with the Comptroller annually. 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 authorize RBAP to file the required financial and tax-related information with the Comptroller.

UPDATE ON RECREATIONAL FACILITIES

Mr. Collins reviewed the project schedule for the Phase I Trail project with the Board, a copy of which is attached hereto. Mr. Collins stated that he anticipates beginning construction in August.

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 reported the Board will need to choose dates and a location for town hall meetings regarding the upcoming Bond Authorization Election. Director Salmon stated that the homeowners association meetings are being held at the Life Pointe Church. Mr. Polley stated that the Sienna Branch Library is also another option. Mr. Polley then stated that RBAP will contact the Life Pointe Church and then let the Board know the availability.

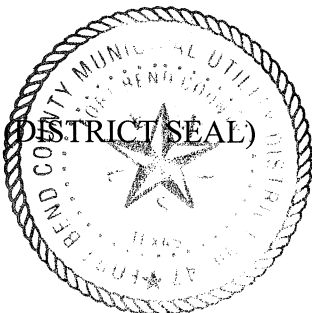
Mr. Polley next reported the Joint Election Agreement and estimated election cost estimate has been received from Fort Bend County. Mr. Polley stated that the current estimated cost for Fort Bend County to conduct the District's Bond Authorization Election is \$4,221. Mr. Polley requested Board authorization to submit the required 60% deposit to Fort Bend County, in the amount of \$2,532. Mr. Polley also noted that Fort Bend County will be using county-wide polling places for both Early Voting and Election Day. Mr. Polley stated that Hightower High School will be a polling location for Early Voting and Election Day. 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 authorize the 60% deposit to Fort Bend County, in the amount of \$2,532.

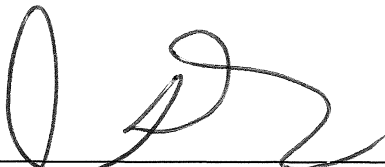
Mr. Polley then stated that canvassing of the election results can occur at the regular May Board meeting.

MISCELLANEOUS MATTERS

Mr. Polley then reminded the Board that the next regular meeting would be held on Wednesday, March 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 March, 2019.





Secretary, Board of Directors