

MINUTES OF MEETING OF THE
BOARD OF DIRECTORS
July 17, 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, July 17, 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 thus constituting a quorum. Also attending the meeting were: Ms. Lori Buckner of Myrtle Cruz, Inc., bookkeeper for the District; Mr. Stephen Swindell, P.E., of Jones|Carter, Inc., engineers for the District; Mr. Johnny Bellamy of Municipal District Services, LLC, operator for the District; Mr. Bill Blitch of Blitch Associates, Inc., financial advisors for the District and of Bob Leared Interests, tax assessor/collector 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. Eric Ungar of Skymark Development Co., Inc., developer of Lake Shore Harbour ("LSH"), Sections 6 and 7 within the District; and Mr. Jonathan D. Polley, attorney, Ms. Monica Garza, attorney, Ms. Alison Miller, paralegal, and Ms. Misti Vice, legal secretary 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 19, 2019 to the Board for approval. 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 minutes of the regular meeting of June 19, 2019, as written.

DEVELOPER'S REPORT

Mr. Ungar reported that all of the lots in LSH Sections 6 and 7 are sold. Mr. Polley then asked Mr. Ungar about the status of the potential annexation of property located at Murphy Road

and Lexington Boulevard. Mr. Ungar stated the property is a 38-acre tract and is planned to include seven (7) commercial tracts, 11 single family detached townhomes and an apartment complex. Mr. Ungar stated that the tract is starting to be cleared for commercial and residential development, and Skymark would like to annex the tract into the District. Mr. Ungar then stated that the tract will have a taxable value of approximately \$38 million and he seeks reimbursement of approximately \$2 million in utility improvements plus impact fees paid to Missouri City. Mr. Ungar further stated that the tract would be a retail customer of Missouri City. Director Cogan expressed his concern that the tract is over seven (7) miles away from the rest of the District. Director Cogan then asked if there are any utility districts located closer to the tract that could provide service. Mr. Ungar stated that he has approached the District first because he has a current working relationship with the Board. Discussion ensued regarding the potential annexation. Mr. Polley stated that if the Board is interested in the potential annexation, then the next step will be a discussion with Missouri City to make sure they would consent to the annexation.

Mr. Glunt reported that there is one (1) empty lot remaining in Olympia Estates, Section 9 and 33 homes are under construction in Olympia Estates, Section 10.

TAX ASSESSOR/COLLECTOR'S REPORT

Mr. Blich presented the Tax Assessor/Collector's Report for the month of June, a copy of which is attached hereto. Mr. Blich reported the District has collected 98.666% of its 2018 taxes to date. 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 Tax Assessor/Collector's Report, including payment of the checks reflected therein.

DELINQUENT TAX ATTORNEY'S REPORT

Mr. Blich next presented the Delinquent Tax Attorney's Report, a copy of which is attached hereto. 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 Delinquent Tax Attorney's Report, including authorizing termination of service letters to 2018 delinquent tax accounts.

FINANCIAL ADVISOR'S REPORT

Mr. Blich then presented the Municipal Advisory Council of Texas General Obligation Debt report, as of July 1, 2019, a copy of which is attached hereto. Mr. Blich also stated that he will have the 2019 tax rate recommendation at the August Board meeting.

ATTENDANCE AT ASSOCIATION OF WATER BOARD DIRECTORS-TEXAS ("AWBD") FALL SEMINAR ON OCTOBER 30, 2019 AND MID-WINTER CONFERENCE IN DALLAS, TEXAS, JANUARY 17-19, 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 authorize attendance at the AWBD Fall Seminar on October 30, 2019 and the Mid-Winter Conference in Dallas, Texas on January 17-19, 2019.

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 reported that she has not received any invoices from Missouri City for water and wastewater services in months. 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.

SECOND AMENDED RESOLUTION ESTABLISHING DISTRICT FEES OF OFFICE AND REIMBURSEMENT POLICY (THE "SECOND AMENDED REIMBURSEMENT POLICY")

Mr. Polley presented the Second Amended Reimbursement Policy to the Board, and explained that it has been revised to allow for the reimbursement of mileage and tolls to and from District meetings as well as other approved events. Ms. Buckner asked if Director Murray could receive reimbursement for his previous mileage and tolls to and from District meetings. Mr. Polley stated that it is up to the Board. The Board concurred to allow Directors to receive reimbursement for any mileage and tolls associated with District meetings/events from the last six (6) months. Ms. Buckner asked that the Board email her with their mileage and toll information to receive reimbursement. 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 adopt the Second Amended Reimbursement Policy, a copy of which is attached hereto.

ENGINEER'S REPORT

Mr. Swindell presented the Engineer's Report, a copy of which is attached hereto. Mr. Swindell reported that the updated District boundary map is being revised due to an error in the acreage.

Mr. Swindell then stated that the Bond Application Report ("BAR") has been revised to remove the capitalized interest line item and add a storm sewer maintenance project and inspection items. Mr. Swindell explained that these two items will exhaust any remaining bond authorization. Mr. Swindell then stated he will provide the final BAR to Mr. Polley for his review this week. Mr. Swindell further stated that the BAR should be able to be filed by the end of the month for a 90-day expedited review.

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.

OPERATOR'S REPORT

Mr. Bellamy presented the Operator's Report, a copy of which is attached hereto. Mr. Bellamy noted the District currently serves 758 active connections and 141 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 38 accounts were terminated due to non-payment.

Mr. Bellamy next presented several water conservation items for the Board to consider posting on the District's website.

Mr. Bellamy then reminded the Board that last month they reduced a \$150 customer service inspection fee to \$75 for the resident at 2726 Prichard Court. Mr. Bellamy reported that the resident has made another request for an additional adjustment to the \$75 fee. The Board concurred to deny the requested additional adjustment.

Mr. Polley then reported that the deadline for Hightower High School ("Hightower") to install a permanent irrigation meter is today. Mr. Polley stated that Fort Bend I.S.D. has indicated it does not know when the meter will be installed. Mr. Polley stated that the Board can decide to remove the meter or allow Hightower to continue using it until they have a better idea of when a permanent meter can be installed. Director Ford stated he is not inclined to extend the use of the temporary meter because Hightower did not ask for an extension. Director Salmon stated that the temporary meter should be pulled. Mr. Polley suggested sending a letter to Hightower stating that the Board is requiring a plan for the permanent meter or else the temporary meter will be pulled.

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: 1) 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; 2) approve the water conservation materials for posting on the District's website; and 3) authorize RBAP to send a letter on behalf of the District to Hightower regarding the temporary irrigation meter.

MISSOURI CITY JOINT FACILITIES REPORT

Mr. Polley reported the meeting with Missouri City regarding joint facilities has not been rescheduled from last month.

ATTORNEY'S REPORT

Mr. Polley then reviewed a comprehensive Legislative Memorandum with the Board, a copy of which is attached hereto. Mr. Polley next reported that RBAP is working on compiling the information needed for the Texas Comptroller's Transparency Stars program. Mr. Polley stated that RBAP is working with Ms. Buckner for additional information.

Director Salmon then stated that she thinks the Board should consider additional agenda posting locations within the District after receiving feedback at the town hall meetings for the Bond Authorization Election. Director Salmon suggested posting agendas at the park in Olympia Estates. Director Cogan then suggested posting on the fence at the lift station located at the Cumberland Ditch and Aldridge Drive. Director Salmon stated that she would speak to the Olympia Estates HOA about posting at their park. Mr. Polley then suggested having a link on the District's website to sign up to receive the agenda when it is posted. Director Salmon stated that she would speak with Off Cinco about the cost of an agenda distribution list through the

District's website. 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 new agenda posting locations.

RECREATIONAL FACILITIES

Mr. Polley reported that Missouri City approved the plans for the Phase I Trail Project and Mr. Collins expects to present construction bids to the Board next month.

Director Salmon then stated that residents have been complaining of trees overhanging the trail. Director Salmon stated the trees are a safety issue and need to be trimmed back. Mr. Polley stated that the Board could approve trimming the trees up to a certain dollar amount. Ms. Garza then stated that the Board previously approved the tree trimming at the May Board meeting. Mr. Polley stated that no additional action is needed if the tree trimming was previously approved. Director Svatek then stated that she would communicate with Mr. Stuckey regarding the matter.

SUPPLEMENTAL NOTICE OF PUBLIC MEETING

Mr. Polley then reviewed the Supplemental Agenda regarding the District's proposed November 5, 2019 Bond Authorization Election, a copy of which is attached hereto. Discussion ensued regarding the amount of the Bond Authorization Election. The Board concurred to call the Bond Authorization Election for \$27,000,000.

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. 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: 1) appoint RBAP as the Designated Agent; and 2) adopt the Order Calling Bond Election for the November 5, 2019 Bond Election.

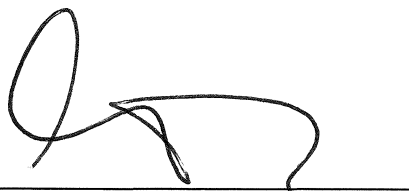
MISCELLANEOUS MATTERS

Mr. Polley then reminded the Board that the next regular meeting would be held on Wednesday, August 21, 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 21st day of August, 2019.



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Secretary, Board of Directors