

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 151

June 20, 2018

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 151 (the "District") met in regular session, open to the public, on the 20th day of June, 2018, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Keith Gier	President
Jennifer Keller	Vice President
Sean R. Fitzsimmons	Secretary
Louis James	Assistant Secretary
Kara Morrison	Assistant Vice President

and all of the above were present except Director Keller, thus constituting a quorum.

Also present at the meeting were Josh Wailes of Mike Stone Associates, Inc. ("MSA"); Justin Klump of Storm Water Solutions, LP ("SWS"); Elizabeth Reeves of Inframark Water & Infrastructure Services ("Inframark"); Esther Flores and Laura Flores of Tax Tech, Inc.; Cheryl Rogers of Jones & Carter, Inc. ("J&C"); Jorge Diaz of McLennan & Associates, L.P. ("M&A"); and Whitney Higgins and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

ACCEPT RESIGNATION OF DIRECTOR KELLER AND DISCUSS APPOINTMENT OF NEW DIRECTOR

The Board considered accepting the resignation of Director Keller. After review and discussion, Director Gier moved to accept the resignation of Director Keller. Director Fitzsimmons seconded the motion, which passed unanimously.

The Board discussed the appointment of a new director.

MINUTES

The Board considered approving the minutes of the May 1, 2018 and May 4, 2018, special meetings and the May 16, 2018, regular meeting. Following review and discussion, Director Fitzsimmons moved to approve the minutes of the May 1, 2018 and May 4, 2018, special meetings and the May 16, 2018, regular meeting, as submitted. Director Gier seconded the motion, which passed by unanimous vote.

COMMENTS FROM THE PUBLIC

Ms. Ramirez stated Acclaim Energy Advisors LLC ("Acclaim") has requested to be added to the next agenda to discuss the District's electricity contract. After review and discussion, the Board declined to add Acclaim to the next agenda.

GARBAGE COLLECTION AND RECYCLING SERVICES

The Board reviewed correspondence from a resident regarding garbage collection services, a copy of which is attached. After discussion, the Board requested the correspondence be provided to Best Trash, LLC and requested Best Trash, LLC contact the resident regarding the complaint.

DISTRICT WEBSITE

The Board discussed content on the District website. After discussion, the Board concurred to authorize Director Fitzsimmons to draft a website update regarding fire protection services in the District.

REVIEW PROPOSAL FROM 180 MESSAGING FOR MESSAGING AND COMMUNICATION SERVICES, AND AUTHORIZE APPROPRIATE ACTION IF NECESSARY

The Board deferred discussion on this matter until the next regular Board meeting.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Diaz distributed and reviewed the bookkeeper's report, a copy of which is attached, including the schedule of investments, energy billing report, budget comparison, and list of checks presented for payment.

After review and discussion, Director Gier moved to approve the bookkeeper's report and payment of the bills. Director Morrison seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

The Board reviewed the tax assessor/collector's report, including a list of bills presented for payment, a copy of which is attached. The Board also reviewed a delinquent tax report from Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue Brandon"), a copy of which is attached. After review and discussion, Director Gier moved to approve the tax assessor/collector's report and payment of the tax bills. Director Fitzsimmons seconded the motion, which passed unanimously.

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTION OF DELINQUENT TAXES

The Board considered authorizing the District's delinquent tax attorney, Perdue Brandon, to proceed with the collection of the 2017 delinquent tax accounts as of July 1, 2018. After review and discussion, Director Gier moved to authorize the delinquent tax attorney to proceed with collection of delinquent taxes. Director Fitzsimmons seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Ms. Rogers distributed and reviewed the engineer's report, a copy of which is attached.

Ms. Rogers reviewed a proposal in the amount of \$40,000 from Bluegrass Maintenance, Inc. for landscaping improvements along the extreme event swale on S. Firethorne Road. She stated that J&C recommends soliciting for bids due to the size of the initial proposal and requested authorization to solicit bids.

Ms. Rogers updated the Board on the status of the reclaimed water system Phase II project, as reflected in her report. She reviewed and recommended approval of Pay Estimate No. 5 in the amount of \$514,692.90, submitted by Hassell Construction Company, Inc. ("Hassell").

Ms. Rogers updated the Board on the status of the water plant no. 1 and remote well improvement project, as reflected in her report. She stated she had no action items for the Board's consideration.

Ms. Rogers updated the Board on the status of the wastewater treatment plant access road relocation project, as reflected in her report. She reviewed and recommended approval of Pay Estimate No. 2 and Final in the amount of \$18,370, submitted by DVL Enterprises, LLC ("DVL"). Ms. Rogers also recommended the Board accept the project. She stated that the vegetation has not been established on the side slopes, so Ms. Rogers recommended holding the check until vegetation has been established.

Ms. Rogers reported that ABHR provided a draft right-of-entry agreement with Fort Bend County ("FBC") for work related to the expansion of Crossover Road from ABHR and J&C sent the draft agreement to FBC for review.

Ms. Rogers updated the Board on the status of the Lake Firethorne bank improvements and erosion repair project, as reflected in her report. She stated that D.L. Meacham Construction completed the irrigation system repairs and site cleanup will be addressed next.

Ms. Rogers updated the Board on the status of the Joan Collier Trace culvert crossing improvement project. She stated she had no action items for the Board's consideration.

Ms. Rogers updated the Board on the status of the proposed sound wall along FM 1463 in the Texas Department of Transportation ("TXDOT") right-of-way. The Board reviewed information received from TXDOT regarding the sound wall workshop scheduled for June 28, 2018, a copy of which is attached. After discussion, the Board requested J&C attend the sound wall workshop on behalf of the District.

Ms. Rogers requested authorization to complete the annual Texas Commission on Environmental Quality ("TCEQ") water plant inspection during the final inspection for the water plant no. 1 and remote well improvement project.

After review and discussion, Director Gier moved to (1) approve the engineer's report; (2) authorize J&C to solicit bids for the S. Firethorne Road extreme event swale landscaping improvements; (3) approve Pay Estimate No. 5 in the amount of \$514,692.90, submitted by Hassell, as recommended; (4) approve Pay Estimate No. 2 and Final in the amount of \$18,370, submitted by DVL, and direct the District's bookkeeper to hold the check pending establishment of vegetation, as recommended; (5) final acceptance of the wastewater treatment plant access road relocation project, as recommended; and (6) authorize J&C to complete the annual TCEQ water plant inspection during the final inspection for the water plant no. 1 and remote well improvement project. The motion was seconded by Director Fitzsimmons and passed by unanimous vote.

TCEQ PHASE II SMALL MS4 GENERAL PERMIT

Ms. Rogers reported that J&C held the annual MS4 training presentation for Inframark.

UPDATE ON SURPLUS FUNDS APPLICATION

Ms. Rogers updated the Board on the status of the surplus funds application. She stated the application is still under review by the TCEQ.

NORTH FORT BEND WATER AUTHORITY ("NFBWA") MATTERS

There was no discussion on this matter.

MAINTENANCE AND MOWING OF DISTRICT FACILITIES, ENVIRONMENTAL MONITORING OF FACILITIES, FEES FOR VIOLATION, AND HEARING AND OPPORTUNITY FOR APPEAL FOR WITHHOLDING TAP SERVICE FOR NONPAYMENT OF BACKCHARGES

The Board reviewed the builder inspection program and mowing and maintenance report and a summary of the mowing and maintenance work completed at District facilities during the prior month, a copy of which is attached. The report noted that seven notices of inspection and zero notices of violation were issued to builders. Mr. Klump reviewed the back charges and receivables reflected in his report, noting the outstanding receivables over 60 days' delinquent.

Following review and discussion, Director Gier moved to approve the builder inspection program and mowing and maintenance report. The motion was seconded by Director Fitzsimmons and carried by unanimous vote.

PARK AND LANDSCAPE MATTERS

The Board reviewed correspondence from a resident requesting fencing at the end of Bradford Ridge Drive leading to the detention pond, a copy of which is attached. Ms. Rogers stated that the area is an extreme event overflow swale. Discussion ensued regarding drainage and maintenance concerns. After discussion, the Board requested J&C to further evaluate the feasibility of installing fencing in that location.

The Board reviewed correspondence from a resident requesting the water plant site be treated for fleas, a copy of which is attached. After discussion, the Board requested Inframark provide a cost estimate for the treatment for the Board's review at the next regular meeting.

The Board reviewed correspondence from a resident regarding damage to playground equipment at the Monarch Terrace pocket park, a copy of which is attached. After discussion, the Board requested MSA investigate the damage and prepare a recommendation for repairs for the next Board meeting.

The Board reviewed correspondence from a resident requesting permission to install sports equipment on District property, a copy of which is attached. After discussion, the Board took no action on the request, pending receipt of Firethorne Community Association approval.

MANAGEMENT AND MAINTENANCE OF DISTRICT FACILITIES

Mr. Wailes distributed and reviewed a report from MSA regarding management and maintenance of District fire station facilities and landscaping, a copy of which is attached. He reported on facility inspections conducted during the prior month and the status of previously authorized maintenance and repairs, as reflected in MSA's report.

Mr. Wailes stated that the oven at the fire station requires repair for an estimated cost of \$635.81.

Mr. Wailes stated that MSA is waiting for a proposal to replace the signage at the fire station.

Mr. Wailes stated that two of the electronic lock mechanisms at the fire station are malfunctioning and MSA has requested a proposal to replace the defective components.

Mr. Wailes stated that MSA is working to obtain the master programming code in order to update the access codes at the fire station.

The Board reviewed a report from Lake Management Services, L.P. ("LMS") regarding lake maintenance in the District, a copy of which is attached.

After review and discussion, Director Gier moved to (1) approve the report from MSA; and (2) approve the proposal in the amount of \$635.81 for repair of the fire station oven. Director Fitzsimmons seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Ms. Reeves distributed and reviewed the operator's report, a copy of which is attached. She reviewed maintenance and repair work included in Inframark's monthly invoice and reported on tap installations. Ms. Reeves reviewed the water production report and noted that water accountability for the prior billing cycle was 98.33%.

Ms. Reeves reviewed one abandoned account with an outstanding balance in excess of \$25.00, and requested authorization to turn over the account to the collection agency to pursue collection.

Ms. Reeves updated the Board on the status of smart meter installation in the District.

The Board discussed the complaint regarding sidewalk lifting around certain manhole locations in the District, presented by a resident at the last regular Board meeting. As requested by the Board, Ms. Reeves presented two proposals for manhole surveys, one in the amount of \$30,000 for the sanitary sewer manholes and one in the amount of \$33,360 for storm sewer manholes. After discussion, the Board requested Inframark prepare a proposal for surveying only the manholes reported by the resident. The Board took no action on the presented proposals.

After review and discussion, Director Gier moved to (1) approve the operator's report; and (2) authorize Inframark to turn over the account with an outstanding

balance in excess of \$25.00 to the collection agency. Director Fitzsimmons seconded the motion, which carried by unanimous vote.

HEARING ON TERMINATION OF SERVICE TO DELINQUENT CUSTOMERS AND AUTHORIZE TERMINATION OF SERVICE

Ms. Reeves reviewed the list of delinquent accounts and reported that the persons on the termination list provided to the Directors were mailed written notice prior to this meeting in accordance with the District's Rate Order, notifying them of the opportunity to appear before the Board to explain, contest, or correct the utility service bill and show reason why utility service should not be terminated for reason of nonpayment. The Board conducted a hearing on the termination of utility service to delinquent accounts. After review and discussion, Director Gier moved to authorize termination of service to the delinquent accounts presented if payment is not received prior to scheduled termination since none of the residents on the termination list were either present at the meeting or presented any statement on the matter, in accordance with procedures set forth in the District's Rate Order. Director Fitzsimmons seconded the motion, which carried by unanimous vote.

FIRE PROTECTION SERVICES

The Board reviewed a report from the City of Katy Fire Department on fire protection services, correspondence from City of Katy Fire Chief Russell Wilson, and a letter from Fort Bend County Emergency Services District No. 4, copies of which are attached.

The Board discussed the format of the invoices provided by the City of Katy and concurred that no changes were necessary.

Ms. Higgins presented and reviewed a Loaned Truck Risk Allocation Agreement between the District and the City of Katy. After review and discussion, Director Gier moved to authorize the Board president to execute the Loaned Truck Risk Allocation Agreement, subject to final review and approval. Director Fitzsimmons seconded the motion, which passed by unanimous vote.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER

The Board did not convene in Executive Session.

There being no further business to come before the Board, the meeting was adjourned.

(SEAL)




Secretary, Board of Directors

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