

MINUTES  
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 151

December 20, 2017

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 December, 2017, 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
Jordan C. Konesheck	Secretary
Sean R. Fitzsimmons	Assistant Secretary
Kara Morrison	Assistant Vice President

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

Also present at the meeting were Greg Sissel of BKD, LLP; Josh Wailes of Mike Stone Associates, Inc. ("MSA"); Justin Klump of Storm Water Solutions, LP ("SWS"); Mark Yentzen of Inframark, LLC ("Inframark"); Greg Ordeneaux of Tax Tech, Inc.; Cheryl Rogers of Jones & Carter, Inc. ("J&C"); Olivia Cuellar of McLennan & Associates, L.P. ("M&A"); and Whitney Higgins and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the November 15, 2017, regular meeting, which were provided in advance of the meeting. Following review and discussion, Director Gier moved to approve the minutes as submitted. Director Morrison seconded the motion, which passed by unanimous vote.

COMMENTS FROM THE PUBLIC

There were no comments from the public.

APPROVE AUDIT FOR FISCAL YEAR END AUGUST 31, 2017

Mr. Sissel reviewed the District's audit for fiscal year ending August 31, 2017. After review and discussion, Director Gier moved to approve the audit, subject to final review, and direct that the audit be filed appropriately and retained in the District's official records. Director Morrison seconded the motion, which passed unanimously.

## GARBAGE COLLECTION AND RECYCLING SERVICES

There was no discussion on this matter.

## DISTRICT WEBSITE

Mr. Yentzen stated that Severn Trent Services, Inc. has changed its name to Inframark, LLC. He stated he will coordinate with the District's webmaster to update the District's website accordingly.

## FINANCIAL AND BOOKKEEPING MATTERS

Ms. Cuellar 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 Konesheck seconded the motion, which passed unanimously.

The Board discussed fees of office and expenses for the upcoming Association of Water Board Directors winter conference. After discussion, Director Gier moved to authorize up to three fees of office for attendance at the conference, two nights at a hotel at the conference rate, and reasonable expenses submitted in accordance with the District's Travel Reimbursement Guidelines. Director Konesheck seconded the motion, which passed unanimously.

## TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Ordeneaux distributed and reviewed the tax assessor/collector's report, including a list of bills presented for payment, a copy of which is attached. He also reviewed the District's delinquent accounts list. After review and discussion, Director Gier moved to (1) approve the tax assessor/collector's report and payment of the tax bills; and (2) authorize the insert in the monthly utility bill. Director Konesheck seconded the motion, which passed unanimously.

## EMINENT DOMAIN REPORT TO THE TEXAS COMPTROLLER

Ms. Higgins reported ABHR has filed the District's Eminent Domain Authority Annual Report with the Comptroller of the State of Texas pursuant to Senate Bill 1812.

## ENGINEERING MATTERS

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

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

Ms. Rogers reported that the District received seven bids for the wastewater treatment plant access road relocation project. Ms. Rogers stated that the low bidder was DVL Enterprises, LLC ("DVL"), but J&C had not yet been able to verify their references. Ms. Rogers recommended that the Board award the contract to DVL in the amount of \$158,400, subject to J&C's verification of references. The Board concurred that, in its judgment, DVL was a responsible bidder who would be the most advantageous to the District and would result in the best and most economical completion of the District's facilities.

Ms. Rogers updated the Board on the status of construction of the waterline extension along F.M. 1463, 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 reclaimed water system Phase II 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 Lake Firethorne bank improvements and erosion repair project, as reflected in her report. She stated she had no action items for the Board's consideration.

Ms. Rogers stated the West Channel erosion repair is complete.

Ms. Rogers stated that J&C solicited bids for the Joan Collier Trace culvert crossing improvement project and received one proposal in the amount of \$35,750 from Bluegrass Maintenance, Inc. ("Bluegrass"). Director Morrison stated that there was an additional culvert crossing on South Firethorne Rd. that needed railings and landscaping. The Board discussed adding the additional work into the original proposal and re-soliciting bids. After review and discussion, the Board requested J&C identify any additional culvert crossings in the District that require railings and landscaping, add the additional work into the original proposal, and re-solicit bids.

Ms. Rogers updated the Board on the status of the backslope drainage repair along Bobby Jones Rd., as reflected in her report.

Ms. Rogers reviewed the status of ongoing commercial plan reviews.

After review and discussion, Director Gier moved to (1) approve the engineer's report; and (2) award the contract for the wastewater treatment plant access road relocation project to DVL in the amount of \$158,400, based on the engineer's recommendation, subject to the engineer's verification and review of references, and

subject to approval of the bonds and verification of insurance. The motion was seconded by Director Konesheck and passed by unanimous vote.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY PHASE II SMALL MS4 GENERAL PERMIT

There was no discussion on this matter.

ADOPT RESOLUTION AUTHORIZING APPLICATION TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ("TCEQ") FOR USE OF SURPLUS FUNDS

The Board reviewed a draft summary of costs for the District's surplus funds application. The Board then considered adopting a Resolution Authorizing Application to the TCEQ for Use of Surplus Funds. After review and discussion, Director Gier moved to adopt the Resolution Authorizing Application to the TCEQ for Use of Surplus Funds and direct that the Resolution be filed appropriately and retained in the District's official records. Director Morrison seconded the motion, which passed by unanimous vote.

NORTH FORT BEND WATER AUTHORITY ("NFBWA") MATTERS

The Board discussed adding a notice regarding the NFBWA groundwater pumpage and surface water fee increase, effective January 1, 2018, to the District's website and utility bill. After review and discussed the Board concurred to add a notice regarding the increase to the District's website and utility bill.

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

Mr. Klump distributed the builder inspection program and mowing and maintenance report, a copy of which is attached. He noted that nine 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.

Mr. Klump next reviewed a summary of the mowing and maintenance work completed at District facilities during the prior month, as reflected in his report.

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

## PARK AND LANDSCAPE MATTERS

The Board reviewed correspondence from Bluegrass regarding possible electrical issues at several mailbox kiosks where faulty lighting was noted. After discussion, the Board concurred to authorize Inframark to coordinate obtaining the services of an electrician to survey the mailbox kiosks for faulty lighting, repair faulty lighting as needed, and evaluate the cost of effectiveness of replacing the existing lights with LED lights.

The Board reviewed correspondence from a resident regarding the Lake Firethorne bank improvement project.

The Board reviewed correspondence from a resident inquiring about possible future amenity development around the detention facility in Section 26. Discussion ensued. The Board stated that the area will be evaluated for a possible future project and noted that the detention facility is adjacent to another municipal utility district.

The Board reviewed correspondence from the Firethorne Community Association (the "HOA") inquiring about ADA ramps at the lake. Ms. Rogers noted that there are currently ADA ramps servicing the lake in several locations. The Board requested J&C provide a map with the locations of the ADA ramps to forward to the HOA.

## 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 updated the Board on the status of the repairs to the railing and stone pillars on the deck on Lake Firethorne.

Mr. Wailes updated the Board on the status of duck trapping in the District.

After review and discussion, Director Gier moved to approve the report from MSA. Director Morrison seconded the motion, which passed unanimously.

The Board reviewed a report from Lake Management Services, L.P. ("LMS"), regarding lake maintenance in the District, a copy of which is attached. Mr. Wailes noted that LMS will schedule the annual fish survey, weather permitting.

## OPERATION OF DISTRICT FACILITIES

Mr. Yentzen distributed and reviewed the operator's report, a copy of which is attached. He reviewed maintenance and repair work included in ST's monthly invoice and reported on tap installations. Mr. Yentzen reviewed the water production report and noted that the water accountability for the prior billing cycle was 98.98%.

Mr. Yentzen stated that the District's annual power flush is in progress.

Mr. Yentzen presented and reviewed a proposal in the amount of \$976,540.00 from Accurate Meter, a copy of which is attached, for a complete change out of District meters to smart meters by June 1, 2018. He noted the proposal includes a 2% discount for the complete change out.

Mr. Yentzen presented the Board with a letter from Inframark regarding the automatic annual CPI adjustment to the service rate pursuant to the agreement with the District, noting the current rate will change to \$2.68, an increase of \$0.06, effective December 21, 2017. A copy of the letter is attached.

Mr. Yentzen reviewed two abandoned accounts with an outstanding balance in excess of \$25.00, and requested authorization to turn over the account to the collection agency to pursue collection. He then reviewed one abandoned account with an outstanding balance of less than \$25.00, and requested authorization to write off the account to the uncollectible ledger.

After review and discussion, Director Gier moved to (1) approve the operator's report; and (2) approve the proposal in the amount of \$976,540.00 from Accurate Meter; (3) authorize Inframark to turn over the accounts with an outstanding balance in excess of \$25.00 to the collection agency; and (4) authorize Inframark to turn over the account with an outstanding balance of less than \$25.00 to the uncollectible ledger. Director Morrison seconded the motion, which carried by unanimous vote.

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

Mr. Yentzen 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 Morrison seconded the motion, which carried by unanimous vote.

DISCUSS FIRE PROTECTION AGREEMENT

Ms. Higgins stated the City of Katy has notified the District that the City will be providing a proposal for fire protection services.

DIRECTOR AND DISTRICT CONSULTANT REPORTS

There was no discussion on this matter.

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

(SEAL)



Jordan C. Koneski  
Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Bookkeeper's report,.....	2
Tax assessor/ collector's report .....	2
Engineer's report.....	2
Builder inspection program and mowing/ maintenance report .....	4
Report on management and maintenance of District facilities .....	5
Report regarding lake maintenance .....	5
Operator's report.....	6
Proposal from Accurate Meter .....	6
Letter from Inframark regarding automatic yearly price adjustment.....	6