

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 116

January 3, 2023

The Board of Directors (the “Board”) of Fort Bend County Municipal Utility District No. 116 (the “District”) met in regular session, open to the public, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, outside the boundaries of the District, on the 3rd day of January, 2023, and the roll was called of the members of the Board:

Chad Millis	President
Dallas Duffy	Vice President
Angela W. Riley	Secretary
Kafi Dalcour	Assistant Secretary
Jesse Matthews	Assistant Vice President

and all of the above were present except Directors Riley and Dalcour, thus constituting a quorum.

Also attending the meeting in person or by teleconference were Lynn Franklin, a resident of the District; Angie Hartwell of Touchstone District Services; Isabel Mata of Wheeler & Associates, Inc.; Mary Ann Mihills of Municipal Accounts & Consulting LP (“MAC”); Rick Marriott of Si Environmental LLC (“Si”); Asim Tufail of Blackline Engineering, LLC; and Duggan Baker, Kathryn Blanton, and Sydney Durham of Allen Boone Humphries Robinson LLP (“ABHR”).

Mr. Baker noted that while this is an in-person meeting of the Board, certain consultants and/or members of the public are attending by teleconference.

PUBLIC COMMENT

There were no public comments.

CONSENT AGENDA

The minutes of the December 6, 2022, regular meeting and consultant reports were provided in advance of the meeting. With regard to item 2c.ii, Mr. Baker noted that ABHR is still waiting for executed copies of the annual disclosure statements for the investment officer and bookkeeper, and that this agenda item will be deferred until the District’s next meeting. With regard to items 2f, Mr. Baker informed the Board that approval of the District Information Kit would be a two-step process during which the Board would (a) review and provide comments on the District Information Kit prior to the February regular meeting and (b) approve the finalized District Information Kit at the February regular meeting. With respect to item 2g, Mr. Baker noted that this item would be removed from the consent agenda and discussed under item 3a. Director Duffy moved to approve all items on the consent agenda, except items 2c.ii and 2g., including: (1) the minutes of the December 6,

2022, regular meeting, as submitted; (2) District development matters; (3) financial and bookkeeping matters, including approve the bookkeeper's report and quarterly investment report; (4) tax assessment and collection matters; (5) the City of Richmond operations report; and (6) direct that, where appropriate, items are filed appropriately and retained in the District's official records. Director Matthews seconded the motion, which passed unanimously. Copies of all reports approved as part of the consent agenda are attached.

ITEMS REMOVED FROM CONSENT AGENDA

COORDINATION WITH HOMEOWNER ASSOCIATIONS ("HOA")

Mr. Baker discussed the previously approved HOA Letter Agreements. He reported that the District has received the fully executed Letter Agreement from the Lakes of Williams Ranch Owners Association ("LOWROA"). Mr. Baker stated that the contribution checks for the Brazos Gardens Homeowners Association ("BGHOA") and Canyon Gate at the Brazos Owners Associations ("CGBOA") will be released upon receipt of their respective fully executed Letter Agreements.

Mr. Baker then discussed the previously approved Maintenance Agreement between the District and LOWROA (the "Maintenance Agreement"). He reported that the Maintenance Agreement has not been finalized. Ms. Mihills noted that the annual contribution and maintenance reimbursement to LOWROA are consolidated in one check. Discussion ensued regarding the release of payment to LOWROA.

Following review and discussion, Director Millis moved to release the payment to LOWROA, subject to finalization and receipt of the fully executed Maintenance Agreement. Director Duffy seconded the motion, which passed unanimously.

GARBAGE COLLECTION AND RECYCLING SERVICES

Ms. Franklin reported that recycling has not been collected for the past two weeks. Director Matthews stated that he called Texas Pride Disposal ("Texas Pride") to report the missed collection, and that as of today, the recycling has not been collected.

The Board discussed the proposed Amendment No. 2 to Residential Solid Waste Collection Agreement with Texas Pride Disposal. The Board tabled action on the Amendment and requested that Texas Pride attend the February meeting.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Mr. Baker reported on the District's compliance activities during the prior calendar year related to bond financings. He stated that no corrective action is required at this time.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS

Ms. Mihills discussed the updated mileage rate amount from the Internal Revenue Service, stating that it has increased from \$0.625 to \$0.655 per mile.

Ms. Mihills requested approval for an advance in the amount of \$800.00 payable to Director Dalcour for the Association of Water Board Directors winter conference.

Ms. Mihills stated that check no. 8330, payable to the Association of Water Board Directors in the amount of \$155.00 for conference registration fees, has been voided and reissued.

Ms. Mihills then discussed check no. 8332 in the amount of \$6,000.00 payable to BGHOA, check no. 8333 in the amount of \$65,400.00 payable to CGBOA, and check no. 8338 in the amount of \$37,100.00 payable to LOWROA.

Following review and discussion, Director Millis moved to: (1) authorize the advance in the amount of \$800.00 payable to Director Dalcour for AWBD winter conference expenses; and (2) authorize the release of check nos. 8332, 8333, and 8338 subject to receipt of the respective fully executed HOA and Maintenance Agreements. Director Duffy seconded the motion, which passed unanimously.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Mata noted check no. 5081 in the amount of \$11,796.58 payable to the Fort Bend Central Appraisal District. She stated that the check was previously approved and executed at the December 6, 2022, Board meeting. Ms. Mata then discussed the status of tax collections for the 2022 tax year.

OPERATOR'S REPORT

Mr. Marriott reviewed the operator's report with the Board, including monthly repair and maintenance items, as outlined in the report. A copy of the operator's report is attached. He stated the water accountability for the last billing period was 95.69%.

Mr. Marriott reviewed significant repairs and maintenance for lift station no. 2, certain sanitary storm sewers, water wells, and builder services, as detailed in the operator's report.

Mr. Marriott reviewed two proposals from Si in the amounts of \$11,145.00 and \$28,000.00 for valve survey repairs and sanitary sewer repairs, respectively, copies of which are attached. Discussion ensued, and the Board requested that Mr. Marriott prepare a list of anticipated repairs to be completed in 2023 for the Board's review and consideration at the next regular meeting.

Mr. Baker discussed rules adopted by the Public Utility Commission of Texas ("PUC") to implement legislation prohibiting certain retail water or sewer providers from

imposing late fees or terminating service for nonpayment of water bills that are due during a period when the previous day's highest temperature and the predicted temperature for the next 24 hours is not higher than 28 degrees Fahrenheit. Mr. Baker reviewed and discussed the one-time notice of the requirements that must be sent to utility customers by January 31, 2023. Mr. Baker then presented a proposed Amended Rate Order incorporating the provisions of the PUC rules, including terms for customers to request and receive a payment schedule for payment of bills due during such an extreme weather emergency.

Mr. Marriott presented a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting, of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment.

Following review and discussion, Director Matthews moved to (1) approve the operator's report; (2) approve proposals from Si in the amounts of \$11,145.00 and \$28,000.00, for valve survey repairs and sanitary sewer repairs, respectively; (3) authorize Si to send the one-time notice to District customers; (4) adopt the Amended Rate Order; (5) authorize termination of delinquent accounts, in accordance with the District's Rate Order; and (6) direct that the delinquent customer list and Amended Rate Order be filed appropriately and retained in the District's official records. Director Duffy seconded the motion, which passed unanimously.

ENGINEER'S REPORT

Mr. Tufail presented and reviewed the engineer's report, a copy of which is attached.

Mr. Tufail provided an update regarding the construction of the Water and Sanitary Sewer Extensions near Williams Way and the City of Richmond Wastewater Treatment Plant. He stated that construction has been completed and the one-year acceptance date is August 9, 2023.

Mr. Tufail provided an update regarding the construction of the District-Wide Lift Station Modifications. He then reviewed and recommended approval of Pay Estimate No. 7 in the amount of \$37,365.30 payable to McDonald Municipal and Industrial ("McDonald") for construction of the District-Wide Lift Station Modifications.

Mr. Tufail then discussed the plans and specifications for the water plant no. 1 fence repair. He stated that the updated estimated cost of the project is \$500,000.00. He then recommended monitoring construction pricing and bidding in late 2023.

Mr. Tufail provided an update regarding the City of Richmond Wastewater Treatment Plant.

Mr. Tufail provided an update regarding the trail system survey work, stating that the surveyor has not yet completed the metes and bounds.

Mr. Tufail stated that construction is underway at the Territory at Williams Way and the Tesla Dealership.

Mr. Tufail updated the Board on the Fort Bend County Road and Bridge Out-of-District Service Request. He then reported that Century Communities has expressed interest in annexing a tract into the District but is awaiting confirmation whether the City of Richmond will extend City services to the tract instead.

Mr. Tufail reported on the GIS System, stating that the latest work orders have been submitted.

After review and discussion, Director Duffy moved to (1) approve the engineer's report; and (2) approve Pay Estimate No. 7 in the amount of \$36,365.30 payable to McDonald for the District-Wide Lift Station Modifications. Director Matthews seconded the motion, which passed unanimously.

PHASE II SMALL MS4 GENERAL PERMIT AND STORM WATER MANAGEMENT PLAN ("SWMP")

There was no discussion regarding this matter.

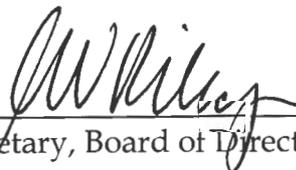
DISTRICT WEBSITE AND COMMUNICATION MATTERS

Ms. Hartwell reviewed Touchstone's monthly communications report, a copy of which is attached. Ms. Hartwell reported that a Cold Weather Advisory alert was posted on the District's website and a text alert was sent advising District residents of potential winter weather and cold conditions.

Ms. Hartwell then stated that a "New Year's Resolutions: Water Conservation" article and "Property Tax Payment Questions?" questionnaire will be posted to the District's website. She added that she will send the article and questionnaire to the Board of Directors for review and approval.

The Board concurred to hold the next meeting on February 7, 2023.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.


Secretary, Board of Directors

(SEAL)



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