

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 116

July 5, 2022

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 5th day of July, 2022, and the roll was called of the members of the Board:

Chad Millis	President
Dallas Duffy	Vice President
Angela Wood	Secretary
Kafi Dalcour	Assistant Secretary
Jesse Matthews	Assistant Vice President

and all of the above were present except Directors Millis and Wood, thus constituting a quorum. Director Wood attended by telephone and abstained from deliberations and voting pursuant to the Texas Open Meetings Act.

Also attending the meeting in person or by telephone were Bailey Mihills, a member of the public; Lynn Franklin, a resident of the District; Angie Hartwell of Touchstone District Services ("Touchstone"); Isabel Mata of Wheeler & Associates, Inc.; Mary Ann Mihills and of Municipal Accounts & Consulting LP; Rick Marriott of Si Environmental, LLC; Asim Tufail of Blackline Engineering, LLC; Ryan Fortner of Revenue Management Services; David Beyer of Storm Water Solutions ("SWS"); and Adisa Harrington and Anne-Marie Bradford of Allen Boone Humphries Robinson LLP ("ABHR").

Ms. Harrington 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 being no comments from the public, the Board moved to the next agenda item.

CONSENT AGENDA

The minutes of the May 3, 2022, regular meeting and consultant reports were provided in advance of the meeting. After discussion, Director Dalcour moved to approve the following consent items: (1) the minutes of the May 3, 2022, regular meeting, as submitted; (2) District development matters; (3) financial and bookkeeping matters; (4) tax assessment and collection matters; (5) authorize delinquent tax attorney to proceed with collection of delinquent taxes; (6) the annual report and authorize filing of same in accordance with the District's Continuing Disclosure of Information Agreement as required by SEC Rule 15c2-12; (7) the City of Richmond Regional Wastewater Treatment Plant ("RWWTP") operations report; and (8) 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

There were no items removed from the consent agenda.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Mata generally discussed the status of tax collections for the 2021 tax year.

Ms. Harrington discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. She reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developed District for the 2022 tax year.

Following review and discussion, Director Duffy moved to adopt a Resolution Regarding Development Status for 2022 Tax Year establishing the District as a Developed district for the 2022 tax year, pursuant to Section 49.23602, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Dalcour seconded the motion, which passed unanimously.

PUBLIC COMMENT (CONTINUED)

Ms. Franklin discussed street parking concerns in the District causing garbage and recycling collection issues, and stated she intends to coordinate directly with Texas Pride Disposal regarding same. Discussion ensued, and the Board directed Ms. Hartwell to coordinate with Directors Millis and Wood to prepare and post an article to the District's website regarding street parking issues.

2022 DIRECTORS ELECTION

The Board considered approving a Certificate of Election reflecting the re-election of Chad Millis, Dallas Duffy, and Kafi Dalcour to the Board of Directors of the District for four-year terms.

The Board then considered accepting the Sworn Statements and Oaths of Office for Directors Millis, Duffy, and Dalcour.

Following review and discussion, Director Duffy moved to (1) approve the Certificates of Election; (2) approve the Sworn Statements and Oaths of Office; and (3) authorize filing of the Oaths of Office with the Secretary of State, as required by law. Director Dalcour seconded the motion, which passed unanimously.

REORGANIZE THE BOARD

The Board concurred to take no action on this agenda item.

DISTRICT REGISTRATION FORM

The Board considered authorizing filing an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ") reflecting the terms of the newly elected Directors. Following review and discussion, Director Duffy moved to authorize filing of the updated District Registration Form with the TCEQ. Director Dalcour seconded the motion, which passed unanimously.

GARBAGE COLLECTION AND RECYCLING SERVICES

The Board reviewed a report provided in advance by Texas Pride Disposal, a copy of which is attached.

DISTRICT WEBSITE AND COMMUNICATION MATTERS

Ms. Hartwell reviewed Touchstone's monthly communications report, a copy of which is attached.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS

Ms. Mihills reviewed the District's expenses for the months of May and June.

The Board discussed the Association of Water Board Directors ("AWBD") summer conference and considered approving reimbursement of eligible expenses and authorizing attendance at the AWBD winter conference.

Following review and discussion, Director Duffy moved to approve the reimbursement of eligible expenses for the AWBD summer conference, which the bookkeeper confirmed were submitted in accordance with the District's Travel Reimbursement Guidelines, and authorize all interested Directors to attend the AWBD winter conference. Director Dalcour seconded the motion, which passed unanimously.

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 97.96%.

Mr. Marriott discussed the status of the District's well production, stating Si is monitoring same in order to determine if/when the first stage of the District's Drought Contingency Plan will take effect. The Board directed Ms. Hartwell to coordinate with Directors Wood and Millis to prepare and post an article to the District's website regarding water conservation.

Mr. Marriott reported on an emergency tapline repair over the holiday weekend.

Mr. Marriot reported that the City of Richmond increased the Groundwater Reduction Program fee in October 2021 to \$2.69 per thousand gallons pumped, without notifying the District. He stated Si has increased the rates charged to the District's customers in accordance with the District's Rate Order to cover the new rate. The Board concurred not to amend the Rate Order at this time.

Mr. Marriott provided an update regarding the manhole survey results and recommended repairs. Discussion ensued.

Mr. Marriott stated that Si can also include a water conservation message on the next utility bill if the Board is interested.

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.

After review and discussion, Director Duffy moved to (1) approve the operator's report; (2) authorize termination of delinquent accounts, in accordance with the District's Rate Order, and direct that the delinquent customer list be filed appropriately and retained in the District's official records; (3) authorize Si to proceed with repairing the recommended repairs located during the manhole survey; and (4) authorize Si to include a water conservation message on the next utility bill. Director Dalcour seconded the motion, and the motion passed unanimously.

GROUNDWATER PUMPAGE FEE ("GRP FEE") INCREASE

There was no further discussion on this matter.

INTERLOCAL AGREEMENT WITH FORT BEND SUBSIDENCE DISTRICT

The Board reviewed an Interlocal Agreement with Fort Bend Subsidence District for the Water Conservation Education Program for the 2022-2023 school year (the "Interlocal Agreement"). After discussion, Director Duffy moved to approve the Interlocal Agreement. Director Matthews 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 previously approved projects, developer projects, and certain annexation matters.

Mr. Tufail reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$207,914.18 for the construction of the Water and Sanitary Sewer Extensions near Williams Way and the City of Richmond Wastewater Treatment Plant.

Mr. Tufail then reviewed and recommended approval of Pay Estimate Nos. 2 and 3 in the amounts of \$22,230.00 and \$85,557.60, respectively, for the construction of the District-Wide Lift Stations Modifications.

After review and discussion, and based upon the engineer's recommendation, Director Matthews moved to (1) approve the engineer's report; and (2) approve the pay estimates presented. The motion was seconded by Director Duffy, which passed unanimously.

PHASE II SMALL MS4 GENERAL PERMIT AND STORM WATER MANAGEMENT PLAN

Mr. Beyer provided an update regarding the status of the MS4 General Permit.

REPORT FROM STORM WATER SOLUTIONS

Mr. Beyer provided an update from SWS regarding the status of construction site monitoring and reviewed a storm water management and builder inspections report, a copy of which is attached. He stated he confirmed with Director Millis that the homeowners associations are responsible for mowing the Estates of Williams Ranch Detention Pond (the "Pond"), and therefore SWS only needs to continue overseeding and fertilizing. He reviewed a proposal to decrease the annual budget for the Pond to \$3,160 for the overseeding and fertilizing services only. Following review and discussion, Director Duffy moved to approve the proposal as submitted. Director Dalcour seconded the motion, which passed unanimously.

APPROVE OUT-OF-DISTRICT SERVICE AGREEMENT WITH FORT BEND COUNTY ROAD AND BRIDGE

The Board considered approving an Out-of-District Service Agreement with Fort Bend County Road and Bridge (the "Agreement"), subject to finalization. Following discussion, Director Duffy moved to approve the Agreement, subject to finalization. Director Dalcour seconded the motion, which passed unanimously.

PARK AND RECREATIONAL FACILITIES

Ms. Harrington provided an update regarding land conveyance matters relating to the proposed trail system.

CONVENE IN EXECUTIVE SESSION

The Board convened in executive session at 12:55 p.m. 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. Ms. Harrington and Ms. Bradford were also present.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

The Board reconvened in open session at 1:01 p.m. No action was taken by the Board.

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

(SEAL)



Wood Riley
Secretary, Board of Directors

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