

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 116

October 4, 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 4th day of October 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 Director 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 (“Touchstone”); Isabel Mata of Wheeler & Associates, Inc. (“Wheeler”); Mary Ann Mihills of Municipal Accounts & Consulting LP; Rick Marriott of Si Environmental, LLC (“Si”); Asim Tufail of Blackline Engineering, LLC (“Blackline”); David Beyer of Storm Water Solutions; and Adisa Harrington, Duggan Baker, Anne-Marie Bradford, and Kathryn Blanton 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 were no public comments.

CONSENT AGENDA

The minutes of the September 6, 2022, regular meeting and consultant reports were provided in advance of the meeting. Ms. Harrington noted that the Arbitrage Rebate Report reflects that nothing is owed by the District to the Internal Revenue Service. After discussion, Director Duffy moved to approve the following consent items: (1) the minutes of the September 6, 2022, regular meeting, as submitted; (2) the Arbitrage Rebate Report for the Series 2017 Bonds; (3) District development matters; (4) financial and bookkeeping matters; (5) tax assessment and collection matters; (6) the operations report from City of Richmond; and (7) 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.

HOMEOWNERS' ASSOCIATIONS ("HOA") CONTRIBUTIONS

Ms. Harrington stated ABHR has not yet received any requests from the HOAs. The Board requested the District's financial advisor prepare and present a pro rata analysis at the next Board meeting.

GARBAGE COLLECTION AND RECYCLING SERVICES

Ms. Franklin discussed the shredding and e-recycling event to be hosted by the District. She stated that the Canyon Gate HOA Clubhouse is available for the event. She then stated that a community garage sale is scheduled for October 18, 2022, and Ms. Hartwell suggested advertising the District's event during this time.

Director Millis entered the meeting.

Discussion then ensued regarding potential dates for the event. Ms. Hartwell stated that Touchstone can send out notifications via the website, texts, and post signs at the community entrance. The Board directed Ms. Hartwell to send a mock-up of the proposed signs to the Directors for approval, and to confirm with Texas Pride Disposal Solutions, LLP ("Texas Pride") if the event will include e-waste and if there will be a limit on the number of items. The Board concurred to tentatively plan the event for October 29, 2022, subject to confirmation of availability by Texas Pride.

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 97.76%.

Mr. Marriott stated signs regarding the current drought status were placed throughout the District. He then reported that the Texas Commission on Environmental Quality ("TCEQ") selected the District for lead and copper sampling due to the number of connections in the District, and the cost to complete such sampling was \$7,850.

Mr. Marriott discussed repairs and maintenance for Lift Station Nos. 1 and 2.

Mr. Marriott further reviewed dye testing results for certain sanitary sewer lines. He stated that two of the three tests were positive and work orders were opened to address the issues.

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 Millis 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 the operator to submit the projections of total water demands for the next year to the Groundwater Reduction Plan administrator for the City of Richmond; and (4) authorize the operator to include a notice regarding pool inspections on the next water bill. Director Duffy seconded the motion, which passed unanimously.

GROUNDWATER REDUCTION PLAN PARTICIPATION AGREEMENT

After review and discussion, Director Millis moved to authorize the operator to contact the City of Richmond regarding the annual fee increase. Director Matthews seconded the motion, which passed unanimously.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS

Ms. Mihills reviewed the District's expenses for the month of September. She requested that the Directors email her when they earn extra per diems between Board meetings.

10-YEAR BUDGET FORECAST

The Board concurred to defer this matter until the next meeting.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

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

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 Waterline Loop along FM 762, stating that the contractor and operator are addressing the punch list items found while conducting the one-year maintenance inspection. He stated that Si has been informed and will address the cracked water valve box that is not within the contract scope.

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 then provided an update regarding the District-Wide Lift Station Modifications, noting there are no pay estimates for the Board's consideration and the contractor is awaiting the delivery of internal piping for lift station no. 2.

Mr. Tufail then discussed the plans and specifications for the water plant no. 1 fence repair. He stated that he is preparing the bid package to include three different options of wooden fencing, precast concrete fencing, and single-wide concrete masonry.

Mr. Tufail and Ms. Harrington provided an update regarding the trail system survey work.

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. Discussion ensued.

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

Mr. Tufail then discussed maintenance and repairs to the lake hard edge at Canyon Gate at the Brazos Lake. Following discussion, the Board concurred that repair and maintenance of the lake hard edge are the HOA's responsibility where the issues are aesthetic and the detention function of the lake is not compromised. Mr. Tufail stated that the functionality is not compromised at this time. Discussion ensued.

After review and discussion, Director Matthews moved to approve the engineer's report. Director Wood seconded the motion, which passed unanimously.

PARK AND RECREATIONAL FACILITIES

There was no further discussion regarding this matter.

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

Mr. Beyer updated the Board on the District's SWMP. He distributed and reviewed the year 3 annual report for the SWMP, and a summary of the year 4 training and goals under the SWMP, a copy of which is attached. Mr. Beyer began his training session with the Board and other consultants. The topic of the year 4 training was the minimum control

measures for storm water management and bacteria-specific elements related to the storm water system. Mr. Beyer reviewed and explained the program elements of the SWMP and the year 4 goals accomplished to date. Mr. Beyer stated the SWMP previously submitted to the TCEQ is still under review. He added that the District has provisional coverage while the SWMP is under review.

DISTRICT WEBSITE AND COMMUNICATION MATTERS

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

Ms. Hartwell stated that the “What to Flush” article and notification for the October 4, 2022, Board meeting was posted on the District’s website.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072, TEXAS GOVERNMENT CODE

The Board did not convene in executive session pursuant to Section 551.072, Texas Government Code.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

The Board convened in executive session at 12:53 p.m. pursuant to Section 551.071, Texas Government Code, to conduct a private consultation with the District’s attorney to discuss pending or contemplated litigation, or a settlement offer. ABHR was present.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

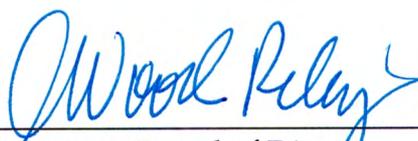
The Board reconvened in open session at 12:57 p.m.

Director Duffy moved to approve a legal services engagement letter with Feldman & Feldman, and direct that the legal services engagement letter be filed appropriately and retained in the District’s official records. Director Wood seconded the motion, which passed unanimously.

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

(SEAL)




Secretary, Board of Directors

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