

MINUTES  
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 116

December 5, 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 2600, Houston, Texas, outside the boundaries of the District, on the 7<sup>th</sup> day of November, 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 Dalcour, thus constituting a quorum.

Also attending the meeting in person or by teleconference were Lynn Franklin and Dr. John Knight, residents of the District; Stephanie Hulbert of Infrastructure Construction Services; Angie Hartwell of Touchstone District Services (“Touchstone”); Ryan Fortner of Revenue Management Services (“RMS”); Isabel Mata of Wheeler & Associates, Inc. (“Wheeler & Associates”); Mary Ann Mihills of Municipal Accounts & Consulting LP (“MAC”); Rick Marriott of Si Environmental LLC (“Si”); Asim Tufail of Blackline Engineering, LLC (“Blackline”); and Adisa Harrington and Carli Trojcak 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

Ms. Harrington opened the floor for public comments. Ms. Hulbert introduced herself and stated she was present for observation purposes only.

There being no further members of the public wishing to address the Board, Ms. Harrington closed public comments.

CONSENT AGENDA

The minutes of the November 7, 2023, regular meeting and consultant reports were provided in advance of the meeting. Ms. Harrington reviewed Travel Reimbursement Guidelines and Director Expenses for the Association of Water Board Directors (“AWBD”) winter conference. After discussion, Director Millis moved to approve the following consent items: (1) the minutes of the November 7, 2023, regular meeting, as submitted; (2) authorize McCall Gibson Swedlund Barfoot PLLC to conduct the District’s audit for fiscal year end

December 31, 2023; (3) financial and bookkeeping matters, including authorize up to three per diems, two nights of hotel stay, and reimbursement of reasonable meal expenses for director attending the AWBD winter conference; (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

There were no items removed from the consent agenda.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS

Ms. Mihills reviewed the draft budget for the fiscal year ending December 31, 2024, a copy of which is attached to the bookkeeper's report.

After discussion, Director Duffy moved to adopt the draft budget for the fiscal year ending December 31, 2024. Director Matthews seconded the motion, which passed unanimously.

INSURANCE POLICIES

The Board deferred action on this agenda item.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Mata reviewed the delinquent tax report provided by Wheeler & Associates, a copy of which is included in the tax assessor's report.

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 95.51%.

Mr. Marriott provided an update on the accountability amounts between the December 31, 2022 bookkeeper's report and operations report. Discussion ensued regarding the water loss rate and water accountability. Mr. Marriott stated he contacted three companies regarding leak detection and will present leak detection proposals at the next meeting.

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 Duffy moved to: (1) approve the operator's report; (2) authorize termination of delinquent accounts, in accordance with the District's Rate Order; and (3) direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Millis 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 Water and Sanitary Sewer Extensions near Williams Way and the City Wastewater Treatment Plant. He stated that the one-year acceptance inspection will be completed on February 7, 2024.

Mr. Tufail provided an update regarding the City's Utility Extension Project located at Williams Way Boulevard and Highway 59, stating that Blackline reviewed the plans for discharge into the Wastewater Treatment Plant, issued a letter of no objection, and is awaiting further requests.

Mr. Tufail stated that construction is nearing completion at the Territory at Williams Way and that the building exteriors are being constructed.

Mr. Tufail stated the potential annexation of a 17.5 acre tract for multi-family development is currently on hold. Ms. Harrington stated she spoke to a representative with Meritage Homes and provided him with Blackline's contact information.

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

Mr. Tufail reported on requests from two homeowners for District approval of recreational improvements in the encroachment areas of their respective lots adjacent to the Lakes of Williams Ranch detention pond. He stated the residents at 5622 Lakeshore Vista drive are requesting District approval to replace an existing playground with a sports court, and the residents at 1003 Wavecrest Court are requesting approval of a patio adjacent to the detention pond hard edge, as detailed in his report. The Board concurred to table consideration of the requests pending confirmation that the proposed improvements have been approved by the homeowners association's architectural control committee.

Mr. Tufail discussed repairs needed to the pump at the regional wastewater treatment plant, noting that the pump repair will include a one-year warranty. Discussion ensued regarding rebuilding the pump versus replacing the pump. Mr. Tufail reported the lead time for ordering parts is currently 8-10 weeks.

Following review and discussion, Director Matthews moved to: (1) approve the engineers report; and (2) authorize the City to rebuild the pump. Director Riley seconded the motion, which passed unanimously.

COORDINATION WITH HOMEOWNERS ASSOCIATIONS (“HOA”)

Ms. Harrington reviewed contribution request letters from the Canyon Gate at the Brazos Owners Association (“CGBOA”), Lakes of Williams Ranch Owners Association (“LOWROA”), and Brazos Gardens Homeowners Association (“BGHOA”), copies of which are attached. Ms. Harrington then reviewed the 2023 Owners Association Pro Rata Share Analysis Summary Table prepared by the District’s financial advisor, a copy of which is attached.

After review and discussion, Director Millis moved to approve HOA contributions based on the taxable value percentages presented in the 2023 Owners Association Pro Rata Share Analysis Summary Table prepared by the District’s financial advisor. Director Matthews seconded the motion, which passed unanimously.

DISTRICT WEBSITE AND COMMUNICATION MATTERS

Ms. Hartwell reviewed Touchstone’s monthly communications report, a copy of which is attached. She stated Touchstone will post the new director’s name, title and term on the District website once he has been appointed to the Board of Directors.

REVIEW AND UPDATE EMINENT DOMAIN REPORT TO THE TEXAS COMPTROLLER

Ms. Harrington reported ABHR has filed the District’s Eminent Domain Authority Annual Report with the Comptroller of the State of Texas pursuant to Section 2206.154, Texas Government Code.

APPOINTMENT OF NEW DIRECTOR

Ms. Harrington stated that Director Dalcour has submitted her resignation from the Board. Following discussion, Director Millis made a motion to accept the resignation of Director Dalcour from the Board. Director Matthews seconded the motion, which passed unanimously.

The Board considered appointing a new director to fill the vacant position and Dr. Knight reintroduced himself to the Board.

Following review and discussion, Director Millis moved to appoint Dr. Knight to fill the vacancy on the Board. Director Matthews seconded the motion, which passed unanimously.

The Board next considered approving the Sworn Statement, Oath of Office, and Official Bond for Director Knight.

The Board then considered reorganization of the Board.

Ms. Harrington reviewed a memorandum from ABHR regarding Open Meetings Act and Public Information Act Training Requirements, a copy of which is attached. She reported

that, effective January 1, 2006, the Texas Legislature requires each elected or appointed public official to complete a course of training of not less than one and not more than two hours regarding the responsibilities of the governmental body and its members under the Texas Open Meetings Act, Chapter 551, Government Code.

Ms. Harrington next reviewed Chapter 176 of the Texas Local Government Code, which requires directors and consultants to disclose certain conflicts of interest, a copy of which is attached. She reviewed the forms adopted by the Texas Ethics Commission for making disclosures under Chapter 176 and noted that the forms are required to be filed with the records administrator for the District within 7 days of a disclosable conflict arising. Ms. Harrington explained that failure to make a disclosure required under Chapter 176 is a Class C misdemeanor. She encouraged the Board to contact ABHR if assistance is needed in determining whether a conflict requires disclosure or in making a required disclosure.

Following review and discussion, Director Millis moved to (1) approve the Sworn Statement, Official Bond, and Oath of Office for Director Knight; and (2) authorize filing of the District Registration Form with the Texas Commission on Environmental Quality, reflecting that Director Knight has been appointed as Assistant Secretary. Director Matthews seconded the motion, which passed unanimously.

The Board concurred to hold the next meeting on January 9, 2024, at 12:00 p.m.

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

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Secretary, Board of Directors

(SEAL)

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