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MINUTES FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 119

January 4, 2023

The Board of Directors (the “Board”) of Fort Bend County Municipal Utility District No. 119 (the “District”) met in regular session, open to the public, on the 4th day of January, 2023, at Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas 77027, outside the boundaries of the District, and the roll was called of the members of the Board:

Alan Shelby	President
Carol Richardson	Vice President
Jeanette Spinks	Secretary
Brian Keith Joseph	Assistant Vice President
Michael J. Garza	Assistant Secretary

and all of the above were present, except Director Richardson, thus constituting a quorum.

Also attending the meeting were: Magen Fischer of Sales Revenue Inc. (“SRI”); Suzanne Villarreal of McCall Gibson Swedlund Barfoot PLLC (“McCall”); Constable Nabil Shike, Corporal Salman Ghaffar, Sergeant Mark Harrison, Sergeant Marco Scott, and Sergeant Sataria McEwen of the Fort Bend County Constable’s Office; Rene Andel of Wheeler & Associates, Inc. (“Wheeler”); Brittini Silva of Myrtle Cruz, Inc. (“Myrtle Cruz”); Sarah Valladares of Stormwater Solutions (“SWS”); Brian Chovanec of Benchmark Engineering Corporation (“Benchmark”); Missy Steadman of Inframark, LLC (“Inframark”); and Teshia Judkins and Kia Fields of Allen Boone Humphries Robinson LLP (“ABHR”).

PUBLIC COMMENTS

The Board received no public comments.

MINUTES

The Board considered approving the minutes of the December 7, 2022, meeting. After discussion, Director Garza moved to approve the minutes, as presented. Director Shelby seconded the motion, which carried by unanimous vote.

SECURITY SERVICES

Corporal Ghaffar discussed the December report on security services in the District, a copy of which is attached, and addressed questions related to same.

APPROVE AUDIT REPORT

Ms. Villarreal reviewed a draft audit for the fiscal year ending September 30, 2022. After discussion, Director Shelby moved to approve the audit, subject to final review. Director Garza seconded the motion, which carried unanimously.

SECURITY SERVICES (CONTINUED)

Sergeant Harrison introduced himself to the Board and discussed security services in the District, including increased burglaries at an apartment complex in the District. Constable Shike introduced himself to the Board and further discussed and addressed questions related to security services. Sergeant Harrison then updated the Board regarding the Fort Bend County Constable Precinct's plans to address security issues at the apartment complex, which included the constables providing their recommendations regarding security measures to the apartment complex's management, and addressed questions related to security services.

TAX REPORT

Ms. Anel reviewed the District's monthly tax report for the month of December, a copy of which is attached, reflecting collections of 40.98% of the District's 2022 taxes at the end of December, 2022.

Following review and discussion, Director Spinks moved to approve the tax assessor/collector's report and authorize payment of the tax bills. Director Joseph seconded the motion, which carried unanimously.

SALES TAX COLLECTIONS AND ACCOUNTS, INCLUDING REPORT FROM SALES REVENUE INC.

Ms. Fischer provided an update on sales taxes received from commercial businesses in the District. She then presented and reviewed a sales and use tax administration report, dated December 2022, and discussed revisions to the report. Ms. Fischer also stated that she will work with the City of Houston to correct any errors or discrepancies relating to the City's list of commercial businesses within the District.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Silva presented the bookkeeper's report for the month of December and submitted the bills for payment. A copy of which is attached. She reviewed the District's investments, including the monthly investment report, a year-to-date budget comparison, certificates of deposit matured and renewed, and a reconciliation of North Fort Bend Water Authority ("NFBWA") revenues and expenses. She further requested approval of check nos. 1312 and 1313, both in the amounts of \$138.52, for Director fees of office and expenses, which checks she noted are not included in the report.

DRAFT

She also noted that the District received a credit on the December 2022 invoice for security services from Fort Bend County Precinct Three, which credit resulted from the annual true-up of security service expenses by Fort Bend County for the fiscal year ending September 30, 2022.

After review and discussion, Director Garza moved to approve the bookkeeper's report, including the checks presented for payment as well as check nos. 1312 and 1313. Director Shelby seconded the motion, which carried by unanimous vote.

ACCEPT ANNUAL DISCLOSURE STATEMENTS FOR INVESTMENT OFFICER AND BOOKKEEPER

The Board then considered accepting the Disclosure Statements from the District's Bookkeeper and Investment Officer for filing with the Texas Ethics Commission, as required by the Public Funds Investment Act. Upon review and discussion, Director Garza moved to accept the Disclosure Statements from the District's Bookkeeper and Investment Officer and to authorize filing the Disclosure Statements with the Texas Ethics Commission. Director Shelby seconded the motion, which carried unanimously.

MOWING, MAINTENANCE, AND REPAIR OF DISTRICT DRAINAGE FACILITIES

Ms. Valladares presented a report regarding maintenance of the District's drainage facilities, a copy of which is attached.

ENGINEER'S REPORT

Mr. Chovanec distributed and reviewed a report from Benchmark regarding the status of engineering projects in the District, including items specifically addressed as follows in these minutes. A copy of the report is attached.

He further noted that he plans to present for the Board's consideration at the next Board meeting proposed changes to the rates that Benchmark charges for its services pursuant to the agreement between the District and Benchmark.

UTILITY COMMITMENT LETTERS AND ANNEXATION REQUESTS

There were no utility commitment letters or annexation requests for the Board's review.

DEEDS, EASEMENTS, AND CONSENTS TO ENCROACHMENT

There were no deeds, easements, and/or consents to encroachment for the Board's approval and/or acceptance.

FORT BEND COUNTY'S MCKASKLE ROAD PROJECT

Mr. Chovanec updated the Board regarding Fort Bend County's (the "County's") evaluation of a possible project to widen McKaskle Road.

OPERATOR'S REPORT

Ms. Steadman presented the monthly operator's report for December, a copy of which is attached. She reviewed routine maintenance and repairs in the District, as itemized in the report. Ms. Steadman stated the District's water accountability was 82.35% for the previous billing period and discussed factors that may be influencing accountability as well as Inframark's efforts to investigate same.

Ms. Steadman then recommended that the District write off one delinquent water and sewer service account in the amount of \$13.50, noting delinquent accounts less than \$25.00 are not usually sent to Collections Unlimited.

Ms. Steadman stated Inframark recommends repairing lift pump no. 2 at lift station no. 1. She presented and reviewed alternative proposals for repairing and replacing the pumps, copies of which are attached to the operator's report. She stated the estimated replacement cost is \$46,903.00 and the estimated repair cost is \$23,567.00. Mr. Chovanec stated he has reviewed the proposals and Benchmark concurs with Inframark's recommendation to repair the pump. Discussion ensued, including discussion regarding the repair and replacement history of the pump.

Ms. Steadman updated the Board regarding the recent cold weather event that occurred before Christmas and related communications.

Following discussion, Director Spinks moved to: (1) approve the operator's report; (2) authorize writing off the one delinquent account, as recommended; and (3) authorize Inframark to replace lift pump no. 2 at lift station no. 1 at a cost not to exceed \$23,567.00. Director Joseph seconded the motion, which carried by unanimous vote.

TERMINATION OF UTILITY SERVICE

Ms. Steadman presented a list of delinquent accounts to the Board. She stated that the accounts in question have been given written notification of the opportunity to appear, either in person or in writing, at the Board meeting to contest, explain, or correct the charges, services, or disconnection. She noted that the accounts listed have neither attended the Board meeting nor contacted her office or the District to contest or explain the charges, except for accounts paid earlier in the day. After review and discussion, Director Spinks moved to authorize the District's operator to proceed with termination of the utility service pursuant to the provisions of the District's Rate Order to accounts remaining unpaid except for those accounts where payments are being made in accordance with a payment plan authorized by the District's operator. Director Joseph seconded the motion, which carried by unanimous vote.

NFBWA MATTERS

Ms. Steadman updated the Board regarding the status of the District's initiatives included in the Water Provider Conservation Program, noting the District has met all of the requirements of the Program, all documentation of same has been submitted to the NFBWA, and she plans to present additional information about the Program for next year to the Board once received from the NFBWA.

PUBLIC UTILITY COMMISSION RULES REGARDING EXTREME WEATHER EMERGENCIES, INCLUDING ISSUANCE OF ONE-TIME NOTICE TO CUSTOMERS AND ADOPT AMENDED RATE ORDER

Ms. Judkins 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. Ms. Judkins reviewed and discussed the one-time notice of the requirements that must be sent to utility customers by January 31, 2023. Ms. Judkins 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. After review and discussion, Director Spinks moved to authorize the operator to send the one-time notice to District customers and to adopt the Amended Rate Order and direct that it be filed appropriately and retained in the District's official records. Director Joseph seconded the motion, which passed unanimously.

DISTRICT CORRESPONDENCE

Ms. Judkins noted that copies of correspondence Touchstone District Services sent to residents regarding freezing weather conditions was provided to the Directors.

PHASE II SMALL MS4 GENERAL PERMIT AND STORM WATER MANAGEMENT PLAN, INCLUDING STATUS OF COMPLIANCE, NECESSARY TRAINING, AND PUBLIC COMMENT

There was no discussion on this matter.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE

Ms. Judkins reported on the District's compliance activities during the prior calendar year related to bond financings. She stated that ABHR has no recommendations to revise the District's existing post-issuance compliance policy and no corrective action is required at this time.

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CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE; RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

The Board did not convene in executive session.

The Board discussed the next meeting date and concurred to meet next on February 1, 2023.

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

Secretary, Board of Directors

(SEAL)

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Security services report	1
Tax report	2
Sales and Use Tax Administration Report, dated December 2022	2
Bookkeeper's report.....	2
Drainage facilities maintenance report.....	3
Engineer's report.....	3
Operator's report.....	4