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## MINUTES FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 119

March 1, 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 1st day of March, 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: Corporal Salman Ghaffar 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 and Randy Davila of Inframark, LLC ("Inframark"); Kurt Adkins of Summit Management, LLC; 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 February 1, 2023, meeting. After discussion, Director Spinks moved to approve the minutes, as presented. Director Joseph seconded the motion, which carried by unanimous vote.

### SECURITY SERVICES

Corporal Ghaffar discussed the February report on security services in the District, a copy of which is attached.

## TAX REPORT

Ms. Andel reviewed the District's monthly tax report for the month of February, a copy of which is attached, reflecting collections of 94.98% of the District's 2022 taxes at the end of February, 2023.

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

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

Ms. Judkins noted that the Sales and Use Tax Administration Report, dated February 2023, a copy of which is attached, was provided to the Directors.

## RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Director Shelby updated the Board regarding his discussions with the District's financial advisor, noting the financial advisor recommended the Board keep the current exemptions for residents who are disabled or 65 years of age or older. The Board then considered same as well as a general homestead tax exemption. After discussion, the Board considered adopting a resolution providing for the exemption from ad valorem taxation of \$10,000 of the appraised value of residence homesteads of individuals who are disabled or are sixty-five years of age or older, but rejecting the general homestead exemption (the "Resolution"). Upon a motion made by Director Shelby and seconded by Director Joseph, the Board voted unanimously to adopt the Resolution.

## FINANCIAL AND BOOKKEEPING MATTERS

Ms. Silva presented the bookkeeper's report for the month of February, submitted the bills for payment, and addressed questions related to the report. A copy of the bookkeeper's report 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. Ms. Silva reported on corrections made to certain amounts due from Kingsbridge Municipal Utility District ("Kingsbridge") for shared drainage facilities maintenance costs, noting Kingsbridge has paid the additional amounts due as a result of the corrections, the procedure for billing these costs regularly has been corrected, and the applicable budget line items will be revised to reflect the corrections.

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

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## 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. She also updated the Board regarding shopping carts previously left near a drainage channel in the District, noting SWS has not seen any additional carts recently.

## 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.

The Board discussed a new commercial business that may be in the District, and following discussion, the Board concurred to have Mr. Chovanec work with the District's operator to verify if such commercial business is in District.

## 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 February, 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 84.95% for the previous billing period and discussed factors that may be influencing accountability as well as Inframark's efforts to investigate same.

Ms. Steadman reported Inframark is in the process of repairing lift pump no. 2 at lift station no. 1.

Ms. Steadman recommended installing a vent fan at lift station no. 1. She presented a proposal to install the vent fan, a copy of which is attached to the operator's

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report, and stated the estimated cost is \$2,250. Mr. Chovanec concurred with Inframark's recommendation.

Ms. Steadman reported recent power outages in the District and stated Inframark is gathering pricing to replace lift pump no. 3 at the lift station, noting a rental is currently in place at the lift station.

Ms. Steadman presented and reviewed a chart Inframark implemented to track pump repairs and replacements at the lift station and water plant, a copy of which is attached to the operator's report.

Ms. Judkins updated the Board regarding a complaint from a resident regarding Texas Pride Disposal ("Texas Pride") not picking up debris placed in front of the resident's home, noting ABHR contacted Texas Pride regarding the complaint and the debris was cleared. She further updated the Board regarding recent news reports forwarded by the resident related to services provided by Texas Pride to other neighborhoods, noting that neither ABHR nor the District's operator is aware of any additional complaints regarding the garbage services provided by Texas Pride to the residents in the District.

Following discussion, Director Spinks moved to: (1) approve the operator's report; and (2) authorize Inframark to install a vent fan at lift station no. 1 at a cost not to exceed \$2,250, as recommended. Director Garza 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 Garza seconded the motion, which carried by unanimous vote.

## CRITICAL LOAD SPREADSHEET

The Board considered authorizing the annual filing of the Critical Load Spreadsheet with all appropriate entities. Mr. Chovanec confirmed he has no recommended changes, and Ms. Steadman noted a recommended change to the contact information for the operator. After discussion, Director Garza moved to authorize

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ABHR to file the updated Critical Load Spreadsheet, as required. Director Spinks seconded the motion, which passed unanimously.

## EMERGENCY PREPAREDNESS PLAN

Ms. Judkins discussed the District's Emergency Preparedness Plan (the "EPP") and requirements to file any updates with the Texas Commission on Environmental Quality ("TCEQ"). She stated the District is required to update the personnel and contact information listed in the EPP and submit the updated pages to the TCEQ and other required entities. After discussion, Director Spinks moved to authorize Benchmark to update the necessary personnel and contact information and submit the updated pages to all required entities. Director Garza seconded the motion, which passed unanimously.

## NFBWA MATTERS

Ms. Steadman updated the Board regarding the event the NFBWA is hosting for participants in the Water Provider Conservation Program (the "Program") last year and the new initiatives required to participate in the Program this year.

## CONDUCT ANNUAL REVIEW OF DROUGHT CONTINGENCY PLAN

Ms. Judkins reported that the District is required to review the District's Drought Contingency Plan annually. Ms. Steadman confirmed that no changes are recommended at this time.

## APPROVE ANNUAL REPORT ON WATER CONSERVATION PLAN AND AUTHORIZE SUBMITTAL TO THE NFBWA

The Board deferred action on this agenda item.

## DISTRICT CORRESPONDENCE

Ms. Judkins noted that correspondence from Texas Pride regarding a recent financial partnership 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

The Board considered approving the Annual Report updating the District's financial and operating data in accordance with the continuing disclosure agreement contained in the resolution authorizing issuance of certain of the District's bonds and SEC Rule 15c2-12. Upon a motion made by Director Spinks and seconded by Director Garza, the Board voted unanimously to approve the Annual Report, and to authorize filing with the information depositories in accordance with the District's agreement in the resolution authorizing issuance of certain of the District's bonds and pursuant to SEC Rule 15c2-12.

## ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE REQUIREMENTS

The Board reviewed the District's procedures for continuing disclosure compliance. Ms. Judkins stated that no changes are required at this time.

## 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 April 5, 2023.

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

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