

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 119

August 2, 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 2nd day of August, 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: Loren Morales of RBC Capital Markets ("RBC"); Corporal Salman Ghaffar of the Fort Bend County Constable's Office; Rene Andel of Wheeler & Associates, Inc. ("Wheeler"); Jimm Davis 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"); 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 July 5, 2023, meeting. After discussion, Director Shelby moved to approve the minutes, as presented. Director Joseph seconded the motion, which carried by unanimous vote.

SECURITY SERVICES

Corporal Ghaffar discussed the July report on security services in the District, a copy of which is attached, and addressed questions related to same. He next updated the Board regarding a complaint from a resident regarding speeding in the District and discussed efforts by the Fort Bend County Constable's Office to address the complaint.

Ms. Judkins updated the Board regarding the interlocal agreement for additional security services for the next term, noting the District has not yet received the proposed agreement from Fort Bend County.

TAX REPORT

Ms. Andel reviewed the District's monthly tax report for the month of July, reflecting collections of 98.73% of the District's 2022 taxes at the end of July, 2023. Ms. Andel then reviewed a list of uncollectable tax accounts, a copy of which is included in the tax report, and requested authorization to move such accounts to the uncollectable tax roll.

Following review and discussion, Director Spinks moved to approve the tax assessor/collector's report, authorize payment of the tax bills, and authorize Wheeler to move the recommended uncollectable tax accounts to the uncollectable tax roll. Director Garza 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 July 2023, a copy of which is attached, was provided to the Directors.

DISCUSS 2023 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the District's 2023 tax rate. Ms. Judkins discussed the two-step process for setting the District's tax rate. Mr. Morales distributed and reviewed a tax rate analysis reflecting the recommendation for the District to levy a 2023 water, sewer, and drainage debt service tax rate of \$0.30 per \$100 of assessed valuation, based on the District's initial 2023 certified value of \$539,244,157, plus \$563,048 representing 90% of the uncertified value under protest. A copy of the tax rate analysis is attached. Mr. Morales and Ms. Andel also discussed and addressed questions regarding the increase in the 2023 certified value. The Board further discussed the District's operation and maintenance tax rate. Following review and discussion, Director Shelby moved to: (1) set the public hearing date for September 6, 2023; and (2) authorize the tax assessor/collector to publish notice in the Fort Bend Independent of the District's meeting on September 6, 2023, to set the proposed 2023 total tax rate of \$0.45 per \$100 of assessed valuation. Director Joseph seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Davis presented the bookkeeper's report for the month of July and submitted the bills for payment. A copy of the bookkeeper's report is attached. He 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. He then requested approval of check no. 1451 in the amount of \$18,180.00 to the Fort Bend County Treasurer, and check no. 1452 in the amount of \$125.00 to Sales Revenue, Inc, which he noted are not included in the report.

Mr. Davis reviewed and discussed a draft budget for the fiscal year end September 30, 2024 with the Board.

After review and discussion, Director Spinks moved to approve the bookkeeper's reports, including the checks presented for payment and check nos. 1451 and 1452. Director Joseph seconded the motion, which carried by unanimous vote.

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 updated the Board regarding debris left near a fence in the District and discussed options to clean up debris in the District as needed. Ms. Valladares reported SWS completed repairing voids under concrete paving using a foam filling and reviewed and recommended approval of a Change Order for additional foam used to complete the repair in the amount of \$1,212.50. Following review and discussion, Director Spinks moved to approve the Change Order for additional foam used to repair voids under concrete paving in the amount of \$1,212.50. Director Shelby seconded the motion, which passed unanimously.

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 stated Benchmark is reviewing plans received for a proposed commercial business in the 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 evaluation of a possible project to widen McKaskle Road.

OPERATOR'S REPORT

Mr. Davila presented the monthly operator's report for July, a copy of which is attached. He reviewed routine maintenance and repairs in the District, as itemized in the report. Mr. Davila stated the District's water accountability was 88.34% for the previous billing period. The Board discussed the lower accountability and Inframark's plans to investigate same.

Mr. Davila stated Inframark submitted an insurance claim for replacement of the fence at the water plant that was damaged due to high winds.

Mr. Davila stated Inframark recommends repairing lift pump no. 1 at lift station no. 1. He presented and reviewed alternative proposals for repairing and replacing the pumps, copies of which are attached to the operator's report, noting Inframark submitted an insurance claim for same. He stated the estimated replacement cost is \$44,267.00, the estimated repair cost is \$16,438.00, and Inframark recommends repairing the pump. Discussion ensued, including discussion regarding the repair and replacement history of the pump.

Mr. Davila recommended the Board authorize submitting one delinquent water and sewer services account with a balance of \$57.92 to Collections Unlimited for collection.

Ms. Steadman updated the Board regarding a power outage at the company that mails the District's bills to customers that resulted in certain bills being mailed late, the company's waiver of certain charges due to the late mailing, and Inframark's approach in addressing the mailing error with impacted customers.

Following discussion, Director Shelby moved to: (1) approve the operator's report; (2) authorize Inframark to repair lift pump no. 1 at lift station no. 1 at a cost not to exceed \$16,438.00, as recommended; and (3) authorize submitting one delinquent account totaling \$57.92 to Collections Unlimited for collection, as recommended. Director Joseph seconded the motion, which carried by unanimous vote.

TERMINATION OF UTILITY SERVICE

Mr. Davila presented a list of delinquent accounts to the Board. He 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. He 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 Shelby 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.

DISTRICT CORRESPONDENCE

There was no discussion on this matter.

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.

RESOLUTION VOTING FOR WATER DISTRICT NOMINEE FOR THE ELECTION OF THE BOARD OF DIRECTORS OF THE FORT BEND CENTRAL APPRAISAL DISTRICT

Ms. Judkins discussed the process for casting the District's allocated votes for a water district nominee to appear on the ballot in the FBCAD Board of Directors election. She noted that the FBCAD provided to the District a ballot reflecting the District's five allocated votes and a list of nominees, with a deadline of August 15, 2023, to cast the votes for a water district nominee. After review and discussion, Director Shelby moved to adopt a Resolution Voting for Water District Nominee for the Election of the Board of Directors of the Fort Bend Central Appraisal District to cast the District's five votes for Michal D. Rozell to appear on the ballot as water district nominee. Director Joseph seconded the motion, which carried by unanimous vote.

REPORT REGARDING LEGISLATIVE MATTERS

There was no discussion on this matter.

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 September 6, 2023.

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


Secretary, Board of Directors



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