

MINUTES  
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

February 28, 2023

The Board of Directors (the “Board”) of Fort Bend County Municipal Utility District No. 2 (the “District”) met in regular session, open to the public, on the 28<sup>th</sup> day of February, 2023, at Townewest Club House, 10322 Old Towne Lane, Sugar Land, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

|                           |                          |
|---------------------------|--------------------------|
| Pam Kelley                | President                |
| Betty J. Stewart          | Vice President           |
| Lisa Dudley               | Secretary                |
| Jessica Fateh             | Assistant Vice President |
| Jose Luis Fuentes Mendoza | Assistant Secretary      |

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

Also attending the meeting were Robert Goerz, Jane Goerz, Vanessa A. Luna, and Heidi Trinh, residents of the District; Bem Munguia, Niel Van Phan, Jaturachai Seributra, Thi Nuynh, Bop Warren, Victor Ly, Malimat Bonds, S. Sap, Ph. B. Bowner, Sumatha San, Srinichida Sapmee, Rianfa Chamnan, Suttipong Sripan, Srichanda Sripan, Taveelarp Coates, Paiwan Suwannakinthorn, Suchana Miles, Prajeam Somchaingtai, and Jhihamai Gray of the Watpa Buddhayan Meditation Center (“Watpa”); Bennett Fisher of Lewis Brisbois Bisgaard & Smith LLP; Baldemar Garza of Townewest Community Improvement Association, Inc.; Brittany Keeswood of Assessments of the Southwest, Inc.; Officer Calvin Johnson; Luis Cebrian of Champions Hydro-Lawn, Inc. (“Champions”); Erin Garcia of Myrtle Cruz, Inc.; Austin Muse of Municipal District Services LLC (“MDS”); Chad Abram of IDS Engineering Group (“IDS”); Suzanne Villarreal of McCall Gibson Swedlund Barfoot PLLC; and Whitney Higgins and Kathryn Easey of Allen Boone Humphries Robinson LLP (“ABHR”).

AUDIT FOR FISCAL YEAR ENDED OCTOBER 31, 2022

Ms. Villarreal presented and reviewed the District’s audit for the fiscal year ended October 31, 2022, and the related management and representation letters. After review and discussion, Director Dudley moved to approve the audit, subject to finalization, and direct that the audit be filed appropriately and retained in the District’s official records. Director Kelley seconded the motion, which passed unanimously.

## SECURITY PATROL MATTERS

Officer Johnson reported on security patrol matters in the District. A copy of the security patrol report is attached. The Board reviewed and discussed the Community Crime Maps for the District and surrounding areas, copies of which are attached to the security patrol report. Officer Johnson stated there is an issue with the traffic control sign's cloud connectivity that is being addressed. Officer Johnson then updated the Board on the status of delivery of the new patrol vehicle.

## GARBAGE AND RECYCLING MATTERS

The Board discussed garbage collection matters and reviewed Texas Pride Disposal's updated service and collection guidelines. The Board considered amending the Residential Solid Waste Collection Contract ("Amendment") to include the updated service and collection guidelines. The Board also requested that MDS attach the updated service and collection guidelines to their user contract. Discussion ensued regarding disposal of excluded items from regular collection and the preparation of door tags for customers. After review and discussion, Director Stewart moved to approve the Amendment as discussed, subject to finalization, and direct that the Amendment be filed appropriately and retained in the District's official records. Director Kelley seconded the motion, which passed unanimously.

## DETENTION AND DRAINAGE FACILITIES AND LANDSCAPING REPORT FROM CHAMPIONS HYDRO-LAWN, INC., PROJECTS, AND RELATED AGREEMENTS

Mr. Cebrian updated the Board on the District's detention and drainage facilities. He reported all the interceptor pipes are covered up and are not allowing for water to exit. The Board requested that Champions photograph the interceptor pipes and pinpoint them on a District map for review at the next meeting.

## FINANCIAL AND BOOKKEEPING MATTERS

Ms. Garcia reviewed the bookkeeper's report, including the District's bills, budget comparison, and investment report. A copy of the bookkeeper's report is attached.

Ms. Garcia noted there are a number of voided checks in the deposit refund account totaling \$5,354.21. She stated these unclaimed deposit refunds will escheat to the State of Texas.

Following review and discussion, Director Dudley moved to approve the bookkeeper's report and the bills presented for payment. Director Stewart seconded the motion, which passed unanimously.

## CONSENT AGENDA

The minutes from the January 24, 2023 regular meeting and consultant reports were previously distributed. Discussion ensued regarding re-approving the minutes from the August 23, 2022 regular meeting as amended. After discussion, Director Kelley moved to remove agenda item no. 2(b) from the consent agenda, and approve all remaining items on the consent agenda, and to direct that, where appropriate, items are filed and retained in the District's official records, including the following: (1) the minutes from the January 24, 2023, as submitted; (2) the minutes from the August 23, 2022 regular meeting, as amended; (3) the engineer's report; (4) the operator's report; and (5) approve reimbursement of eligible Association of Water Board Directors ("AWBD") winter conference expenses and authorize attendance at the AWBD summer conference. Director Fuentes Mendoza seconded the motion, which passed unanimously.

## ITEMS REMOVED FROM CONSENT AGENDA

### TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Keeswood presented and reviewed the tax assessor/collector's report, a copy of which is attached. Discussion ensued regarding the delinquent tax roll. After discussion, Director Kelley moved to approve the tax assessor/collector's report, including payment of the bills. Director Dudley seconded the motion, which passed unanimously.

## RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board considered adopting a Resolution Concerning Exemptions from Taxation. After review and discussion, Director Dudley moved to adopt a Resolution Concerning Exemptions from Taxation, granting a \$30,000 exemption for persons 65 years of age or older or disabled and rejecting a general residential homestead exemption, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Fateh seconded the motion, which passed unanimously.

## PUBLIC COMMENTS

Director Kelley opened the meeting for public comments.

Ms. Luna reported that one of her utility payments was credited to the wrong account and she received a water termination notice. She stated MDS made the correction, but asked the Board how this issue could be avoided going forward. The Board requested that Mr. Muse investigate the matter and provide an update to the Board and to Ms. Luna. Ms. Luna also addressed the Board regarding the state of certain sidewalks in the District.

Mr. Garza reported on upcoming events in the Townewest Community, including draining the pool for maintenance and coordinating with the local Boy Scout troop on park upgrades and the installation of a second library at a proposed site between Blue Falls Dr. and Bay Gardens Dr. on Spanish Grant Dr. He then discussed street repairs and inspections, sidewalk repairs, garbage collection issues, and street light outages.

Ms. Miles addressed the Board on behalf of the members of Watpa, regarding the process and timeframe for requesting water and sanitary sewer services from the District and options related to the same. Mr. Bennett stated he will be representing Watpa with their request for annexation into the District.

There being no additional public comments, Director Kelley closed the meeting to public comments.

#### ENGINEERING MATTERS

Mr. Abram generally addressed the Watpa members' questions regarding the general annexation process, the status of a request for a feasibility study to determine requested capacity and physical connections to the District's facilities. He also discussed generally the City of Houston annexation consent process. He stated an executed copy of a letter agreement between Watpa and the District, as well as all documentation required in the same, and an approved drainage study for the tract, are needed from Watpa before any further work on the matter can continue.

#### GARBAGE AND RECYCLING MATTERS (continued)

The Board further discussed changes to the garbage and heavy trash collection services.

#### SECURITY PATROL MATTERS (continued)

The Board further discussed security patrol matters, including steps taken with CenterPoint Energy to address street light outages and the proposed conversion to LED lighting. The Board requested that the security officers monitor the Townewest Community pool once it has been drained for maintenance.

Officer Johnson stated he has reported a number of missing street signs to the Fort Bend County Road and Bridge Department for replacement.

#### OPERATIONS

The Board discussed the District's sidewalk policy for sidewalk repairs that are adjacent to District facilities, and stated private sidewalk repairs are the responsibility

of the homeowners. The Board then discussed street repairs and encouraged residents to report street issues to the Fort Bend County Road and Bridge Department.

ACTION ITEMS FOR ENGINEERING AND OPERATIONS

Mr. Muse reviewed the operator’s report, a copy of which is attached.

The Board recommended updating the bill message to include information on the shredding and electronic recycling event to be held on Saturday, March 18, 2023, from 10:00 a.m. to 1:00 p.m. at the Townewest Club House.

Mr. Muse reviewed the list of equivalent single-family connections, a copy of which is attached to the operator’s report.

The Board requested that MDS schedule the storm inlet cleaning in April.

Mr. Muse stated the Resolution Approving Submittal of the Water Smart Application was approved by the Board at a prior meeting and no further action is needed.

Following review and discussion, Director Dudley moved to approve the bill messages, as amended. Director Stewart seconded the motion, which passed unanimously.

Mr. Abram presented and reviewed the engineer’s report, a copy of which is attached, and provided an update on the status of engineering projects in the District.

Mr. Abram stated the Year 4 Annual Report for the Texas Pollutant Discharge Elimination System (TPDES) Small Municipal Separate Storm Sewer System (MS4) General Permit is due April 24, 2023, and requested authorization to begin preparation of the Year 4 Report.

Mr. Abram updated the Board on the status of the Sanitary Sewer Lift Station No. 1 Rehabilitation project. He stated the contractor is scheduled to begin bypass pumping the week of March 6, 2023.

Mr. Abram updated the Board on the status of the Water Plant No. 1 Ground Storage Tank No. 2 Recoating project.

Mr. Abram reported that Renn Road Municipal Utility District (“Renn Road”) is requesting an extension of interim water supply, as defined in the First Amended and Restated Emergency Water Supply Agreement (“Agreement”) effective April 26, 2022 (the “Effective Date”), for a period of thirty-six months after the Effective Date.

Mr. Abram reported receiving an inquiry from SMT Energy related to drainage on the tract located at 9901 Belknap Road to use the site for a battery energy storage system. He stated the tract will not require water or sewer service, but preliminary development drawings and replat have not been received for review.

Mr. Abram reported receiving an inquiry related to a proposed annexation of a 40-acre tract south of Florence Rd. and currently in the City of Sugar Land's extra-territorial jurisdiction. The Board concurred to consider the feasibility of annexing the tract upon the receipt of a \$10,000 deposit and a fully-executed annexation letter agreement.

Mr. Abram updated the Board on the status of the Water Plant No. 1 Improvement project. He presented and reviewed preliminary conceptual designs for the improvements, including the addition of a natural gas generator, booster pump pad, expansion of the control building, dedicated security patrol office and storage space, and patrol car storage facilities. Discussion ensued.

Following review and discussion, Director Fateh moved to (1) authorize IDS to begin preparation of the Year 4 Annual Report; and (2) approve the extension of the Agreement with Renn Road for a period of thirty-six months after the Effective Date. Director Fuentes Mendoza seconded the motion, which passed unanimously.

#### HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS AND CUSTOMER APPEALS

Mr. Muse reviewed customer correspondence and discussed updates to the extensions and adjustments approved by MDS since the last Board meeting and reviewed accounts recommended for write-off as listed in the operator's report. A copy of the lists for extensions, adjustments, and write-offs is filed and retained in the District's official records.

The Board considered a request from a resident for an extension of time to pay a large account balance for a high usage water bill caused by an undetected leak.

The Board considered a request from a resident for a credit in the amount of \$30.00 for a return payment charge related to the bank account being closed due to suspicious activity.

The Board next conducted a hearing on the termination of utility service to delinquent accounts. Mr. Muse reported that the residents on the delinquent list were mailed written notice prior to this meeting in accordance with the District's Rate Order, notifying them of the opportunity to appear before the Board to explain, contest, or correct the nonpayment of their utility service bill, and to show reason why utility service should not be terminated for reason of nonpayment.

After review and discussion, Director Dudley moved to (1) approve the extensions, adjustments and write-off accounts as recommended by MDS; (2) approve the resident's payment extension request, subject to the resident providing receipts showing the repairs have been made; (3) authorize MDS to credit the resident's account in the amount of \$30.00; and (4) authorize that service to the customers on the termination list with accounts remaining unpaid and who were not present at the meeting and had not presented any written statement on the matter be terminated in accordance with the District's Rate Order, except for accounts in amounts below \$30.00. Director Stewart seconded the motion, which passed unanimously.

ANNEXATION MATTERS

There was no further discussion on this agenda item.

DISTRICT WEBSITE MATTERS

Director Dudley updated the Board on updates to the District website.

CORRESPONDENCE RECEIVED BY THE DISTRICT, DIRECTORS OR CONSULTANTS, AND REPORTS ON DISTRICT BUSINESS AND OPERATIONS

There was no discussion on this matter.

NORTH FORT BEND WATER AUTHORITY ("NFBWA")

There was no discussion on this matter.

ATTORNEY'S REPORT

There was no discussion on this matter.

DISCUSS MEETING DATES

The Board concurred to hold a special shredding and recycling event on Saturday, March 18, 2023, from 10:00 a.m. to 1:00 p.m., and the next regular meeting on March 28, 2023, at 8:30 a.m.

There being no further business to come before the Board, the meeting was adjourned by agreement.



  
Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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