

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

October 24, 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 24th day of October, 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 Miriam Lewis of Townewest Homeowners Association, Inc. ("TWHOA"); Kari Lemoine of Sterling Association Services, Inc., the community manager for TWHOA; Brittany Keeswood of Assessments of the Southwest, Inc.; Luis Cebrian of Champions Hydro-Lawn, Inc.; Erin Garcia of Myrtle Cruz, Inc.; Austin Muse of Municipal District Services LLC ("MDS"); Chad Abram of IDS Engineering Group ("IDS"); and Whitney Higgins and Kathryn Easey of Allen Boone Humphries Robinson LLP.

Officer Calvin Johnson participated by teleconference.

PUBLIC COMMENTS

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

CONSENT AGENDA

The minutes from the September 26, 2023, regular Board meeting and consultant reports were previously distributed. After discussion, Director Dudley 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 September 26, 2023, regular Board meeting, as submitted; (2) the engineer's report; (3) the operator's report; and (4) authorize McCall Gibson Swedlund Barfoot PLLC to conduct the annual audit for fiscal year ended October 31, 2023, pursuant to its evergreen engagement letter with the District. Director Stewart 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. The Board reviewed the delinquent tax accounts, including the delinquent tax report from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., a copy of which is attached to the tax assessor/collector's report. Discussion ensued regarding termination of water and sewer service for delinquent tax accounts. Ms. Keeswood stated she will present a list of the accounts recommended for water service termination at the next meeting. After discussion, Director Dudley moved to approve the tax assessor/collector's report, including payment of the bills. Director Fuentes Mendoza seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING MATTERS

Director Fateh reported on garbage and recycling matters.

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. Discussion ensued regarding road construction on West Bellfort Blvd.

The Board then discussed community events and attendance by District patrol officers.

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. Discussion ensued regarding the District's budget. Following review and discussion, Director Stewart moved to approve the bookkeeper's report and the bills presented for payment. Director Fateh seconded the motion, which passed unanimously.

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

Mr. Cebrian reviewed a detention and drainage facilities report, a copy of which is attached. The Board discussed dead rose bushes and shrubs in the landscaped areas along Belknap Road. The Board requested that Champions continue maintaining the landscaped areas along Belknap Road, but instructed Champions not to add new plants

or mulch to the landscaped areas until the road construction along Belknap Road is complete. The Board then stated that the fence lines along West Bellfort Blvd. will be maintained by the TWHOA or Townewest Community Improvement Association, Inc., as applicable, and the median will be maintained by the District.

ACTION ITEMS FOR ENGINEERING AND OPERATIONS

Mr. Muse reviewed the operator's report, a copy of which is attached. He reviewed the proposed bill message with the Board.

Mr. Muse updated the Board on the status of replacing the damaged fence panel at the Lift Station. He stated the fence panel is in the process of being fabricated and delivery is expected in the near future.

Mr. Muse stated he will provide updates at the next meeting related to the back charge to CenterPoint Energy, Inc. for damage to District facilities and the rental meter charge to G3 Underground that was rented on behalf the Alpha and Omega Kingdom Center.

After review and discussion, Director Dudley moved to approve the bill message, as presented. Director Kelley 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 as noted in his report.

Mr. Abram updated the Board on the status of construction of the Water Plant No. 1 and on the Ground Storage Tank No. 2 Recoating Project. He stated the work and all inspection punch list items are complete, except for replacement of the access hatch which is scheduled to be installed the week of October 30, 2023.

Mr. Abram stated that bids were received for construction of the Water Plant No. 1, Hydropneumatic Tank No. 1 and No. 2 Recoating Project. He recommended that the Board award the contract to Sustanite Support Services ("Sustanite") in the amount of \$42,000.00. The Board concurred that, in its judgment, Sustanite is a responsible bidder who will be most advantageous to the District and will result in the best and most economical completion of the project.

Mr. Abram updated the Board on the status of the Water Plant No. 1 Improvement Project. He stated IDS is reviewing the feasible detention options to address the onsite detention improvements that will need to be constructed to mitigate additional water run-off due to the added impervious cover of the new generator pad and hydropneumatic tank.

Mr. Abram updated the Board on the status of the Townewest Channel Improvements Project to remove and replace seven back slope interceptor structures along the drainage channel. He reviewed the plans and specifications and requested the Board authorize IDS to advertise for bids for the construction of the Townewest Channel Improvements Project.

Following review and discussion, Director Kelley moved to (1) award the contract for construction of the Water Plant No. 1, Hydropneumatic Tank No. 1 and No. 2 Recoating Project to Sustanite in the amount of \$42,000.00, based upon the engineer's recommendation and receipt of the payment and performance bonds and the certificate(s) of insurance and endorsements, if any, provided by the contractor; and (2) approve the plans and specifications and to authorize IDS to advertise for bids for the Townewest Channel Improvements Project. Director Stewart 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.

Mr. Muse reviewed four customer requests for credit that were not included in his report in the amounts of \$45.00, \$27.00, \$112.00, and \$96.00, respectively, for high usage water bills caused by undetected leaks. He stated the customers provided proof of repairs and have good payment history and no prior disconnects.

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) authorize MDS to credit the four customer accounts in the amounts of \$45.00, \$27.00, \$112.00, and \$96.00, respectively, for high usage water bills caused by undetected leaks; and (3) 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 Kelley seconded the motion, which passed unanimously.

WATER SMART PROGRAM

Mr. Muse reviewed the Association of Water Board Directors ("AWBD") Water Smart Partners Program with the Board. Ms. Higgins reviewed a Resolution Approving Submittal of the Water Smart Application for Inclusion in the AWBD Water Smart Partners Program. Following discussion, Director Kelley moved to approve the Resolution and authorize MDS to submit the District's Water Smart Application for the AWBD Water Smart Partners Program. Director Stewart seconded the motion, which passed unanimously.

ANNEXATION MATTERS

There was no discussion on this matter.

DISTRICT WEBSITE MATTERS

Director Dudley updated the Board on the District's website. Discussion ensued regarding content to include on the District's website.

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

The Board reviewed Fort Bend County's list of proposed mobility and park bonds election projects for 2023, copies of which are attached. Discussion ensued regarding projects proposed for Precinct 3.

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 the next regular meeting on December 5, 2023, at 8:30 a.m.

ENGINEERING MATTERS (continued)

The Board discussed a potential solution to provide sufficient stormwater detention to mitigate runoff from additional impervious cover related to the Water Plant

No. 1 improvement project. The Board requested the TWHOA to consider allowing the District to utilize a section of the TWHOA's Gulfstream Park located adjacent to Water Plant No. 1 for stormwater detention. Discussion ensued regarding the conceptual design of the stormwater detention facilities, the handling of construction and legal costs related to utilizing this section of Gulfstream Park, maintenance matters, and additional fencing, landscaping, walking trail and amenity construction, removal and/or restoration. The Board concurred to discuss this matter at the next Board meeting once the TWHOA reviewed the conceptual plans and provided additional comments.

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

(SEAL)




Secretary, Board of Directors

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