

MINUTES  
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

July 23, 2024

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 23<sup>rd</sup> day of July, 2024, 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 George Tennison and Jeff Christian, residents of the District; Brittany Keeswood of Assessments of the Southwest, Inc.; Officer Calvin Johnson; Luis Cebrian of Champions Hydro-Lawn, Inc.; Jackie Noyola of Myrtle Cruz, Inc.; Austin Muse of Municipal District Services LLC ("MDS"); Chad Abram and Roy Ward of IDS Engineering Group; and Whitney Higgins and Carli Trojcak of Allen Boone Humphries Robinson LLP.

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 June 25, 2024, regular meeting, the June 25, 2024, executive session meeting, and consultant reports were previously distributed. After discussion, Director Dudley moved to remove agenda item 2(b) and approve all 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 June 25, 2024 regular meeting and the June 25, 2024, executive session meeting, as submitted; (2) the engineer's report; and (3) the operator's report. Director Stewart seconded the motion, which passed by a vote of 4 to 0, with Director Kelley abstaining from voting.

## 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. She then reviewed a report from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., a copy of which is attached to the tax assessor/collector's report, regarding the status of the District's delinquent tax collections, including the accounts recommended for water service termination. After discussion, Director Dudley moved to (1) approve the tax assessor/collector's report, including payment of the bills; and (2) authorize termination letters to be sent to the delinquent tax accounts recommended by the delinquent tax attorney. Director Fateh seconded the motion, which passed unanimously.

### ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2024 TAX YEAR

Ms. Keeswood discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. She reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developing District for the 2024 tax year.

Following review and discussion, Director Fuentes Mendoza moved to adopt a Resolution Regarding Development Status for 2024 Tax Year establishing the District as a Developing District for the 2024 tax year, pursuant to Section 49.23602, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Stewart seconded the motion, which passed unanimously.

### GARBAGE AND RECYCLING MATTERS

The Board discussed storm debris collection by Fort Bend County ("County") and authorized Director Fateh to contact the County on a regular basis to request that the District be added to the County's schedule for assessment and storm debris collection.

### PUBLIC COMMENTS (continued)

Mr. Christian addressed the Board regarding speeding and traffic accidents occurring near his residence. Discussion ensued regarding locations for speed radar detector placement.

## SECURITY PATROL MATTERS

Officer Johnson discussed security patrol matters in the District. A copy of the security patrol report is attached.

Officer Johnson requested that the Board consider installing a backup power system to ensure the security cameras continue to work during future storms and power outages.

Officer Johnson updated the Board regarding the repairs on the Tahoe patrol vehicle. He requested approval of a repair order from First Tire & Automotive in the amount of \$4,387.95 to repair the Tahoe patrol vehicle. Following review and discussion, Director Dudley moved to approve the repair for a total amount not to exceed \$5,000.00. 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. Director Dudley stated there are overgrown trees in the detention and drainage facilities that need to be trimmed. Discussion ensued regarding mowing and maintenance matters.

## FINANCIAL AND BOOKKEEPING MATTERS

Ms. Noyola reviewed the bookkeeper's report, including the District's bills, budget comparison, and investment report. A copy of the bookkeeper's report is attached. Following review and discussion, Director Dudley moved to approve the bookkeeper's report and the bills presented for payment. Director Fateh seconded the motion, which passed unanimously.

## QUARTERLY BUDGET REVIEW

The Board reviewed the District's budget for the fiscal year end October 31, 2024, and discussed moving the budget workshop to September. There was no action taken on this agenda item.

## ACTION ITEMS FOR ENGINEERING AND OPERATIONS

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

Mr. Muse updated the Board on operations and power issues during Hurricane Beryl and discussed the current installation of both diesel and natural gas generators at the District's facilities.

Director Dudley reported pine trees fell into the Water Plant facilities. Following verification that the pine trees are the responsibility of the Townewest Homeowners Association ("TWHOA"), the Board requested that MDS send a letter to the TWHOA outlining the District's concerns in connection with the trees. Discussion ensued regarding CenterPoint Energy's Tree Trimming Practices guide, a copy of which is attached to the operator's report.

After review and discussion, Director Dudley moved to approve the operator's report and the bill message, as presented. 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 noted there are no accounts recommended for write-off. A copy of the lists for extensions, adjustments, and write-offs is filed and retained in the District's official records.

Mr. Muse stated there are no delinquent accounts recommended for termination.

#### PUBLIC COMMENTS (continued)

The Board discussed utility tree trimming with Mr. Tennison.

#### ACTION ITEMS FOR ENGINEERING AND OPERATIONS (continued)

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 the Rehabilitation of HPT No. 1 and HPT No. 2 project. He reviewed and recommended approval of Pay Estimate No. 2 and Final in the amount of \$32,298.25, payable to Sustanite Support Services, LLC ("Sustanite").

Following review and discussion, Director Dudley moved to (1) approve the engineer's report; and (2) approve Pay Estimate No. 2 and Final, payable to Sustanite, in the amount of \$32,298.25 for the Rehabilitation of HPT No. 1 and HPT No. 2 project, based on the engineer's recommendation. Director Stewart seconded the motion, which passed unanimously.

#### ANNEXATION MATTERS

There was no discussion on this agenda item.

#### DISTRICT WEBSITE MATTERS

Director Dudley updated the Board on the District's website.

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

There was no discussion on this agenda item.

#### ATTORNEY'S REPORT

There was no discussion on this agenda item.

#### NORTH FORT BEND WATER AUTHORITY ("NFBWA")

There was no discussion on this agenda item.

#### UPDATE ON PROPERTY ACQUISITION MATTERS AND AUTHORIZE APPROPRIATE ACTION

There was no discussion on this agenda item.

#### CONSIDER USE OF EMINENT DOMAIN AUTHORITY TO CONDEMN PROPERTY AND, IF APPROPRIATE, ADOPT RESOLUTION AUTHORIZING ACQUISITION OF REAL PROPERTY TO CONFIRM THE EXISTENCE OF A PUBLIC NECESSITY FOR THE ACQUISITION OF CERTAIN PROPERTIES AND PROPERTY INTERESTS ALONG THE ROUTE DESCRIBED IN THE RESOLUTION

There was no discussion on this agenda item.

#### CONVENE IN EXECUTIVE SESSION

The Board convened in Executive Session at 10:41 a.m. pursuant to Section 551.072, Texas Government Code, to deliberate the purchase, exchange, lease, or value of real property. Present in executive session were Directors Kelley, Stewart, Dudley, and Fateh, Ms. Higgins, Ms. Trojak, Mr. Abram, and Mr. Ward. Director Fuentes Mendoza was not present during executive session.

#### RECONVENE IN OPEN SESSION

The Board reconvened in open session at 11:04 a.m. The Board took no action on matters discussed during executive session.

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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