

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

May 23, 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 23rd day of May, 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 except Director Dudley, thus constituting a quorum. Director Dudley dialed in by telephone, but was not a part of the quorum.

Also attending the meeting were Brittany Keeswood of Assessments of the Southwest, Inc.; Officer Calvin Johnson; 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.

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 April 25, 2023, regular Board meeting and the April 27, 2023, special Board meeting, and consultant reports were previously distributed. Ms. Keeswood requested that the Board remove agenda item no. 2(b) from the consent agenda. After discussion, Director Stewart 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 April 25, 2023, regular Board meeting, as submitted, and the minutes from the April 27, 2023, special Board meeting, as amended; (2) the engineer's report; (3) the operator's report; and (4) approve payment of up to three per diems, three hotel nights, six meals, and an advance, if requested, in the amount of up to \$1,000.00 for each director attending the Association

of Water Board Directors 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.

Ms. Keeswood reviewed and requested approval of a Certification of Official Custodian(s) - Government Depositor for the District's tax account with Wells Fargo Bank. She stated this Certification designates the President of the Board as the District's Official Custodian for the account.

Following review and discussion, Director Fuentes Mendoza moved to (1) approve the tax assessor/collector's report, including payment of the bills; and (2) approve and authorize execution of the Certification of Official Custodian(s) - Government Depositor form for Wells Fargo Bank. Director Stewart 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 reported the new radar head will be installed on the traffic control sign and the cloud connection should be operational by the end of the week. Discussion ensued regarding summer patrol scheduling and facilities security matters.

GARBAGE AND RECYCLING MATTERS

The Board discussed garbage collection matters, including working with the homeowner associations in the District to update information on their websites with respect to heavy trash pickup scheduling.

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.

Mr. Cebrian reviewed proposals for interceptor pipe removal and installation services for: (1) Area 1 in the amount of \$20,807.20; (2) Area 2 in the amount of

\$20,807.20; (3) Area 3 in the amount of \$22,341.20; (4) Area 4 in the amount of \$22,341.20; (5) Area 5 in the amount of \$20,807.20; (6) Area 6 in the amount of \$20,807.20; and (7) Area 7 in the amount of \$20,807.20. Mr. Abram requested authorization to prepare the plans and specifications for the work on the interceptor pipes for agency review and approval in order to gain a better understanding of the scope of the project and stated that after a more definitive plan is in place, the Board would need to consider bidding the project. Following review and discussion, Director Fateh moved to authorize IDS to prepare the initial plans and specifications for the work on the interceptor pipes for agency review, comment, and approval. Director Kelley seconded the motion, which passed unanimously.

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 hand-written check no. 2190 in the amount of \$230.50 payable to Traffic Logix for the new radar head for the traffic control sign is also being presented for approval, but is not included in her report.

Ms. Garcia noted hand-written check no. 2191 in the amount of \$76,402.44 payable to Pardalis Industrial Enterprises for Pay Estimate No. 3 for the Water Plant No. 1 Ground Storage Tank No. 2 Recoating project is also being presented for approval, but is not included in her report.

Following review and discussion, Director Kelley moved to (1) approve the bookkeeper's report and the bills presented for payment; (2) approve the hand-written check no. 2190 in the amount of \$230.50 payable to Traffic Logix; and (3) approve the hand-written check no. 2191 in the amount of \$76,402.44 payable to Pardalis Industrial Enterprises. Director Stewart seconded the motion, which passed unanimously.

ACTION ITEMS FOR ENGINEERING AND OPERATIONS

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 reported the Sanitary Sewer Lift Station No. 1 Rehabilitation project is complete and the lift station is operational. He stated a final pay estimate has not yet been submitted by the contractor.

Mr. Abram updated the Board on the status of the Water Plant No. 1 Ground Storage Tank No. 2 Recoating project. He reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$79,830.32 and Pay Estimate No. 3 in the amount of \$76,402.44, payable to Pardalis Industrial Enterprises, Inc. ("Pardalis"). He noted that

the Board approved payment of Pay Estimate No. 2 in the amount of \$79,830.32 at the April 25, 2023 Board meeting.

Mr. Abram reviewed the plans for the Water Plant No. 1 Improvement Project with the Board. He stated the tentative schedule for this project is to advertise for bids in August and begin construction in September or October.

Mr. Abram reported on the status of the Alpha and Omega Kingdom Center facility expansion. He stated the contractor will begin constructing the 8-inch public sanitary sewer line on Florence Road the week of May 22, 2023.

Mr. Abram updated the Board on the status of updating the Emergency Preparedness Plan.

Following review and discussion, Director Kelley moved to approve Pay Estimate No. 3 in the amount of \$76,402.44, payable to Pardalis, for the Water Plant No. 1 Ground Storage Tank No. 2 Recoating project, based on the engineer's recommendation. Director Fuentes Mendoza seconded the motion, which passed unanimously.

Mr. Muse reviewed the operator's report, a copy of which is attached. He reviewed the proposed bill messages with the Board. He then reviewed two quotes prepared by MDS: (1) in the amount of \$2,210.00 to trim 17 trees that are blocking stop signs or streetlights throughout the District; and (2) in the amount of \$13,130.00 to trim 101 trees overhanging roads throughout the District. Discussion ensued.

After review and discussion, Director Kelley moved to (1) approve the bill message, as presented; and (2) approve the tree trimming quotes in the amounts of \$2,210.00 and \$13,130.00. 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.

The Board considered a request from a resident for an extension of time to pay the remaining account balance in the amount of \$235.16 by no later than June 4, 2023.

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 Kelley moved to (1) approve the extensions, adjustments and write-off accounts as recommended by MDS; (2) approve the resident's payment extension request; 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 Stewart seconded the motion, which passed unanimously.

AMENDMENT TO SERVICE AGREEMENT WITH MUNICIPAL DISTRICT SERVICES, LLC

Mr. Muse discussed a proposed process for implementing a new customer move-out policy to handle left behind excessive trash. He recommended increasing MDS's transfer set-up fee to \$100 to administer the customer move-out policy and amending the District's Rate Order to include the transfer set-up fee increase. Following discussion, Director Kelley moved to approve the amendment to the Service Agreement with MDS, as discussed, and direct that the amendment be filed appropriately and retained in the District's official records. Director Stewart seconded the motion, which passed unanimously.

AMENDED RATE ORDER

The Board considered amending the District's Rate Order to update the transfer set-up fee, as recommended by the District's operator. Following review and discussion, Director Kelley moved to amend the District's Rate Order, as discussed, and direct that it be filed appropriately and retained in the District's official records. Director Stewart seconded the motion, which passed unanimously.

ANNEXATION MATTERS

The Board considered approving a supplemental annexation letter agreement between the District and Watpa Buddhayan Meditation Center, Inc. ("Watpa") related to the proposed annexation. Following review and discussion, Director Kelley moved to approve the supplemental annexation letter agreement and direct that it be filed appropriately and retained in the District's official records. Director Fateh seconded the motion, which passed unanimously.

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.

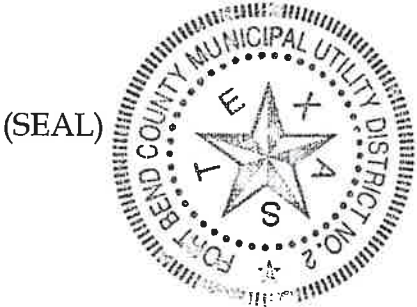
ATTORNEY'S REPORT

There was no discussion on this matter.

DISCUSS MEETING DATES

The Board concurred to hold the next regular meeting on June 27, 2023, at 8:30 a.m.

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



Asst. Secretary, Board of Directors

Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	<u>Page</u>
Engineer's report.....	1
Operator's report.....	1
Tax assessor/collector's report	2
Security patrol report	2
Detention and drainage facilities report.....	2
Bookkeeper's report.....	3