

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

October 22, 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 22nd day of October, 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 in person or by telephone were Donna James, a resident of the District; David Patterson of Assessments of the Southwest, Inc.; Officer Calvin Johnson; Sandra Leija of Champions Hydro-Lawn, Inc. ("Champions"); Erin Garcia of Myrtle Cruz, Inc.; Austin Muse and John McDonald of Municipal District Services LLC ("MDS"); Chad Abram and Roy Ward of IDS Engineering Group; and Whitney Higgins and Kathryn Easey of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENTS

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

CONSENT AGENDA

The minutes from the September 17, 2024, special meeting, September 24, 2024, regular meeting, and consultant reports were previously distributed. After discussion, Director Kelley 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 September 17, 2024, special meeting, and the September 24, 2024, regular 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, 2025, 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

Mr. Patterson 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.

Mr. Patterson reported that the taxpayer on Grand Pines Drive requested a payment plan of \$200.00 per month for delinquent taxes until paid in full. Mr. Patterson recommended approving the payment plan provided the taxpayer keep the current year taxes paid.

Mr. Patterson reported that the taxpayer on Towne Way Drive committed to pay the taxes due in four installments, but has not made a payment since August. Mr. Patterson stated the District's operator has been instructed to tag the property for service termination on October 28, 2024, if the taxpayer fails to make a payment.

After discussion, Director Kelley moved to (1) approve the tax assessor/collector's report, including payment of the bills; (2) approve the taxpayer's payment plan request for the property located on Grand Pines Drive; and (3) authorize termination of water and wastewater service to the delinquent tax accounts recommended by Perdue due to the fact that said accounts had neither contacted the District nor had appeared at the Board meeting to discuss their tax accounts, except for the account on Grand Pines Drive. Director Fuentes Mendoza seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING MATTERS

Director Dudley reported on District garbage matters. She stated Texas Pride Disposal has posted collection guidelines in Spanish on its website. Director Dudley then reported on Texas Pride Disposal's updated tagging procedures for excessive trash.

SECURITY PATROL MATTERS

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

Officer Johnson recommended, in his capacity as the independent contractor responsible for security staffing decisions, that the District hire a new security officer,

William Darius Hart, and he requested the District's approval of the related Security Services Contract for Officer Hart.

The Board discussed speeding vehicles and requested that Officer Johnson move the speed control sign from Spanish Grant Drive to Towneway Drive. Officer Johnson stated he will bring a proposal to purchase an additional speed control sign to the next meeting for the Board's review. He stated the proposal can be shared with the homeowner associations in the District. Officer Johnson also noted that Fort Bend County will provide speed limit signs that the District can post in the District.

The Board requested that citations be issued for inoperable and unregistered vehicles in the District.

Following discussion, Director Kelley moved to (1) approve the patrol services report; and (2) authorize execution of the Security Services Contract with Officer Hart, as recommended by Officer Johnson, subject to finalization. Director Stewart seconded the motion, which passed unanimously.

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

Ms. Leija reviewed a detention and drainage facilities report, a copy of which is attached.

Ms. Leija presented and reviewed the following proposals prepared by Champions with the Board:

1. Proposal #22726 in the amount of \$2,811.25 to remove broken limbs from and raise and balance the canopy of a tree on Belknap Road;
2. Proposal #22909 in the amount of \$13,067.50 to desilt the drainage channel from Belknap Road west to the upstream end of main channel;
3. Proposal #22903 in the amount of \$6,092.00 to desilt the drainage channel from Belknap Road west to the first concrete apron/outfall pipe;
4. Proposal #22907 in the amount of \$8,771.11 to desilt the drainage channel from Belknap Road east to the Fort Bend County's portion of the drainage channel; and
5. Proposal #22889 in the amount of \$2,067.78 to remove dead plant material and install four Wax Leaf Ligustrum at the Townewest Clubhouse.

The Board agreed to hold Proposal #22907 to determine if Fort Bend County will maintain that portion of the drainage channel. The Board requested that Ms. Leija hold Proposal #22889 until spring.

Discussion ensued regarding the District's current budget for detention and drainage facilities maintenance.

Following review and discussion, Director Dudley moved to approve Proposal #22726 in the amount of \$2,811.25, Proposal #22909 in the amount of \$13,067.50, and Proposal #22903 in the amount of \$6,092.00 and direct that the Proposals be filed appropriately and retained in the District's official records. Director Fuentes Mendoza seconded the motion, which passed unanimously.

PUBLIC COMMENTS (continued)

Director Dudley reopened the meeting for public comments.

Ms. James addressed the Board to request assistance with the account initiation fee and security deposit required to set up new water service. Discussion ensued regarding payment plan options.

There being no other public comments, Director Dudley closed the meeting to public comments.

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.

The Board discussed policies for director per diems and what constitutes a director fee.

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

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. The Board discussed changes to the proposed bill message.

The Board further discussed payment plan options for the account initiation fee and security deposit for Ms. James to set up new water service. Mr. Muse recommended that Ms. James pay the account initiation fee in the amount of \$102.00 immediately so that services can be turned on and then divide the \$300.00 security deposit into three monthly payments of \$100.00 each.

The Board reviewed a sample postcard with important District information that will be mailed out to customers in December. Director Dudley stated approximately 2,300 postcards will be needed for the mailout and requested authorization to order 3,000 copies of the postcard in order to have extras on hand to pass out at events held in the District.

After review and discussion, Director Dudley moved to (1) approve the operator's report; (2) approve the bill message, as revised; (3) approve the payment plan for Ms. James, as discussed above and as recommended by the operator; (4) authorize the purchase of 3,000 postcards; and (5) approve the December postcard mailout. 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 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; and (2) 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 Fuentes Mendoza 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. The Board reviewed a Resolution Approving Submittal of the Water Smart Application for Inclusion in the AWBD Water Smart Partners Program. Following discussion, Director Dudley moved to approve the Resolution and authorize MDS to submit the District's Water Smart Application for the

AWBD Water Smart Partners Program. Director Fuentes Mendoza seconded the motion, which passed unanimously.

ACTION ITEMS FOR ENGINEERING AND OPERATIONS (continued)

Mr. Ward 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. He stated he had no action items for the Board.

ANNEXATION MATTERS

Mr. Ward presented and reviewed an updated preliminary plan for improvements and annexation feasibility for an approximate 49-acre annexation for AECO Contracting, Inc.

DISTRICT WEBSITE MATTERS

Director Dudley updated the Board on the District's website. She discussed changes to be made to the trash collection section and stated that collection guidelines will also be posted in Spanish.

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

Director Dudley discussed the Townewest Homeowners Association's ("TWHOA") addition of a marquis sign outside the Townewest Club House and noted that in exchange for the District paying for the electricity to power the marquis sign, the TWHOA offered the District use of the sign for posting meeting and special event notices.

NORTH FORT BEND WATER AUTHORITY ("NFBWA")

There was no discussion on this agenda item.

DISCUSS MEETING DATES

The Board concurred to hold the next regular meeting on December 9, 2024, at 8:30 a.m.

ATTORNEY'S REPORT

There was no discussion on this agenda item.

UPDATE ON PROPERTY ACQUISITION MATTERS AND AUTHORIZE
APPROPRIATE ACTION

The Board discussed the property acquisition matter.

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 did not convene in 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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