

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

March 25, 2025

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 25th day of March, 2025, at the NE Fort Bend County Fire Station, 14007 Old Richmond Rd., Sugar Land, Texas 77498, 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 Liliana Gamba, a resident of the District; Brittany Keeswood of Assessments of the Southwest, Inc. ("ASW"); Officer Calvin Johnson; Sandra Leija of Champions Hydro-Lawn, Inc.; Lynn Kurtz of Myrtle Cruz, Inc. ("MCI"); Austin Muse of Municipal District Services LLC ("MDS"); Chad Abram and Roy Ward of IDS Engineering Group ("IDS"); and Nellie Connally and Kathryn Easey of Allen Boone Humphries Robinson LLP ("ABHR").

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 February 25, 2025, regular meeting and consultant reports were previously distributed. Ms. Keeswood requested that agenda item 2(b) be removed from the consent agenda. After discussion, Director Fuentes Mendoza 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) approve the minutes for the February 25, 2025, regular meeting; (2) approve the engineer's report; (3) approve the operator's report; (4) approve the District's annual report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the bond resolutions pursuant to SEC Rule 15c2-12; (5) approve and authorize MDS to file the annual report on implementation of Water Conservation Plan with the Texas Water

Development Board and the North Fort Bend Water Authority; (6) approve and authorize ABHR to file the Critical Load Spreadsheet for the District's facilities with all appropriate entities; (7) approve and authorize IDS to file the updated emergency preparedness plan with the Texas Commission on Environmental Quality ("TCEQ"), if needed; (8) approve a Resolution Regarding Annual Review of Investment Policy reflecting that the Board determined not to amend the Investment Policy at this time; and (9) approve a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions reflecting authorized depository institutions of the District as provided by the bookkeeper. 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 collection of delinquent property taxes for tenant-occupied properties. Ms. Keeswood stated she would discuss the matter with the District's delinquent tax attorney.

Ms. Keeswood discussed a resident's request for waiver of penalty and interest for their 2024 taxes. She stated the Board is under no obligation to waive penalty and interest since neither the District nor the Fort Bend Central Appraisal District made an error. Ms. Keeswood recommended declining the resident's request.

Following review and discussion, Director Dudley moved to (1) approve the tax assessor/collector's report and payment of the tax bills; and (2) decline the resident's request for waiver of penalty and interest. Director Fateh seconded the motion, which passed unanimously.

AMENDMENT TO AGREEMENT FOR SERVICES OF TAX ASSESSOR/COLLECTOR

Ms. Keeswood reviewed a Fifth Amendment to Agreement for Services of Tax Assessor-Collector (the "Amendment") between the District and ASW. Following review and discussion, Director Kelley moved to approve the Amendment, subject to final legal review, and direct that the Amendment be filed appropriately and retained in the District's official records. Director Fuentes Mendoza seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING MATTERS

Director Dudley reported on District garbage matters, including valet service for elderly residents.

The Board reviewed an Amendment to Residential Solid Waste Collection Contract (the "Amendment") between the District and Texas Pride Disposal Solutions LLC d/b/a Texas Pride Disposal to update the holiday collection schedule. Following review and discussion, Director Fateh moved to approve the Amendment and direct that the Amendment be filed appropriately and retained in the District's official records. Director Kelley seconded the motion, which passed unanimously.

SECURITY PATROL MATTERS

Officer Johnson discussed security patrol matters in the District. A copy of the security patrol report is attached. He updated the Board on maintenance performed on the light bar on one of the patrol vehicles.

Officer Johnson discussed damage from high winds to the traffic control sign located on West Bellfort Ave. He also reviewed two quotes from Traffic Logix Corporation for renewing Wi-Fi service for the traffic control signs in the amounts of \$500.00 for a one-year term, \$900.00 for a two-year term, and \$1,200.00 for a three-year term. Officer Johnson recommended the Board approve a two-year term for \$900.00.

Ms. Gamba reported that vehicles are speeding along Country Manor Dr. and running the stop sign. The Board requested that Officer Johnson install the sim card on the traffic control sign on Spanish Grant Dr. to monitor traffic patterns and to increase patrol presence near that intersection.

Officer Johnson updated the Board on the expected delivery and installation of the new traffic control sign and speed limit signs.

Officer Johnson reviewed an invoice from Today's Integration, Inc. in the amount of \$900.00 to renew cellular service at Water Plant No. 1.

Following review and discussion, Director Dudley moved to (1) approve renewing Wi-Fi service for the traffic control signs for a two-year term in the amount of \$900.00; and (2) approve the invoice from Today's Integration in the amount of \$900.00. Director Kelley 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.

The Board requested that IDS contact Fort Bend County to determine if the trees and irrigation system along the Belknap Rd. detention pond will be removed due to road construction.

Ms. Leija updated the Board on the interceptor repairs and debris removal.

Ms. Leija stated she will continue to monitor areas of erosion at the District's detention facilities near 13515 Florence Rd. and along the back side of 2555 Eldridge Rd. The Board requested that MDS and IDS investigate these locations and provide updates at the next meeting.

Mr. Ward updated the Board on discussions with Fort Bend County regarding additional interceptor repairs located in Fort Bend County's drainage channel.

Ms. Leija stated she had no items for the Board's approval.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Kurtz 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. Kurtz noted the following checks ("Additional Checks") are also being presented for payment, but are not included in her report:

1. Check No. 3196 in the amount of \$167.85 payable to Scott Gill for patrol services;
2. Check No. 3197 in the amount of \$900.00 payable to Today's Integration for invoice no. 25198 for cellular service at Water Plant No. 1; and
3. Check No. 3198 in the amount of \$2,000.00 payable to the NE Fort Bend County Fire Station for meeting facilities rental fees from March 2025 through March 2026.

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

AMENDMENT TO AGREEMENT FOR BOOKKEEPING SERVICES

Ms. Kurtz reviewed a First Amendment to Amended and Restated Agreement for Bookkeeping Services (the "Amendment") between the District and MCI. Following review and discussion, Director Dudley moved to approve the Amendment, subject to final legal review, and direct that the Amendment be filed appropriately and retained in

the District's official records. Director Fateh seconded the motion, which passed unanimously.

RENTAL POLICIES AND USAGE AGREEMENT

The Board reviewed a Rental Policies and Usage Agreement (the "Agreement") between the District and the NE Fort Bend County Fire Station for meeting facilities. Following review and discussion, Director Dudley moved to approve the Agreement, subject to finalization, and direct that the Agreement be filed appropriately and retained in the District's official records. Director Fateh seconded the motion, which passed unanimously.

ACTION ITEMS FOR 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 adding a bill message for the next three months on properly disposing of oil, grease and wipes to keep them out of the pipes.

Mr. Muse stated water accountability for the previous billing period is low and that MDS will be checking storm outfalls and fire connections for active leaks.

Mr. Muse stated the annual report on the Identity Theft Prevention Program and the annual review of equivalent single-family connections will be discussed at the next meeting.

Mr. Muse discussed needed repairs to certain concrete slabs under mailbox clusters and adjacent sidewalks to raise and level the slabs and sidewalks. He stated the repairs would cost \$22,608.00. Discussion ensued.

The Board requested that MDS investigate the storm inlet at Quail Ridge Ln. and Town Square Rd.

After review and discussion, Director Dudley moved to (1) approve the operator's report; (2) approve the bill message, as amended and discussed; and (3) approve the slab and sidewalk repairs in the amount of \$22,608.00. Director Fateh 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 Fateh seconded the motion, which passed unanimously.

ACTION ITEMS FOR ENGINEERING

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 the report.

Mr. Ward discussed the status of the MS4 application that was submitted to the TCEQ on February 11, 2025. He stated the District must still comply with the reporting requirements of the 2019 MS4 permit and requested authorization to prepare and submit the Year 6 Annual Report by April 24, 2025.

Mr. Ward requested authorization to perform a general inspection of the Lift Station. He noted a full interior inspection of the Lift Station is scheduled in 2033.

Mr. Ward reported on the findings of a general inspection of Water Plant No. 1, Water Well No. 2, and the ground storage tanks at Water Plant No. 1.

Mr. Ward updated the Board on the status of the Water Plant No. 1 Improvement Project plans and the projected timeline to have the plans submitted to Fort Bend County for review and advertising for bids.

Mr. Ward updated the Board on the Belknap Road improvements. He stated IDS and MDS are continuing to coordinate with Fort Bend County on relocating District facilities and identifying remaining locations of conflicts with road construction.

Mr. Ward stated permanent water and wastewater taps have been released for the Alpha and Omega Kingdom Center project.

Following review and discussion, Director Fateh moved to (1) approve the engineer's report; (2) authorize IDS to prepare and submit the Year 6 Annual Report; and (3) authorize IDS to perform a general inspection of the Lift Station. Director Stewart seconded the motion, which passed unanimously.

ANNEXATION MATTERS

There was no discussion on this agenda item.

DISTRICT WEBSITE MATTERS

Director Dudley discussed updates to 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.

NORTH FORT BEND WATER AUTHORITY ("NFBWA")

There was no discussion on this agenda item.

ATTORNEY'S REPORT

There was no discussion on this agenda item.

UPDATE ON PROPERTY ACQUISITION MATTERS AND AUTHORIZE APPROPRIATE ACTION

The Board discussed the status of Gulfstream Park.

DISCUSS MEETING DATES

The Board discussed holding a special meeting with the homeowner associations located within the District to discuss water conservation, resident outreach and education, and facility improvements.

The Board concurred to hold the next regular meeting on April 22, 2025, at 8:30 a.m.

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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