

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

March 28, 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 28th day of March, 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 Kelley, thus constituting a quorum.

Also attending the meeting were Mel Hobbs, Jurhamat Prasertklang, Qhada Komgpan, Suttipong Sripan, Srichanda Sripan, and Suchana Miles of the Watpa Buddhayan Meditation Center ("Watpa"); Brittany Keeswood of Assessments of the Southwest, Inc.; Officer Calvin Johnson; Luis Cebrian of Champions Hydro-Lawn, Inc. ("Champions"); Rebecca Marcucci and 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 ("ABHR").

PUBLIC COMMENTS

Director Dudley opened the meeting for public comments.

Mr. Hobbs addressed the Board on behalf of the members of Watpa regarding Watpa's request for water and sanitary sewer services from the District. He requested a copy of the executed letter agreement between Watpa and the District related to the proposed annexation to submit to Fort Bend County for plan approval.

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

ENGINEERING MATTERS

Mr. Abram generally addressed Mr. Hobbs' questions regarding the general annexation process. He stated approved development plans for the proposed annexation site, which include drainage plan approval, are needed from Watpa before any further work on the matter can continue. Ms. Higgins noted any title issues related

to the proposed annexation tract must also be addressed. Ms. Higgins stated Watpa's attorney has been provided with a fully executed letter agreement between Watpa and the District related to the proposed annexation.

CONSENT AGENDA

The minutes from the February 28, 2023, regular Board meeting and consultant reports were previously distributed. After discussion, Director Stewart moved to remove agenda item no. 2(j) 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 February 28, 2023, regular Board meeting, as submitted; (2) the tax assessor/collector's report; (3) the engineer's report; (4) the operator's report; (5) 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; (6) 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; (7) approve and authorize ABHR to file the Critical Load Spreadsheet for the District's facilities with all appropriate entities; (8) approve and authorize IDS to file the updated emergency preparedness plan with the Texas Commission on Environmental Quality ("TCEQ"); (9) a Resolution Regarding Annual Review of Investment Policy reflecting that the Board determined not to amend the Investment Policy at this time; and (10) 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 Fateh second the motion, which passed unanimously.

ITEMS REMOVED FROM CONSENT AGENDA

DROUGHT CONTINGENCY PLAN

Mr. Muse reviewed the Drought Contingency Plan with the Board and recommended updating the process for notifying customers of drought conditions and response measures to be taken to include electronic mail and text alert notifications. After review and discussion, Director Dudley moved to adopt an Order Adopting Amended and Restated Drought Contingency Plan; Providing for Implementation and Enforcement Thereof; Providing Penalties for Violations; and Containing Other Provisions Related to the Subject and direct that the Order be filed appropriately and retained in the District's official records. Director Fuentes Mendoza seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING MATTERS

The Board discussed garbage collection matters and the shredding and recycling event held in the District on March 18, 2023.

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 updated the Board on the delivery of the new patrol vehicle and delays at the manufacturing plant.

Officer Johnson reported the radar head on the eastbound traffic control sign on W. Belfort Blvd. needs to be repaired to reestablish cloud connectivity. He stated he will have a quote for the Board's review at the next meeting. He then reviewed a quote from Traffic Logix Corporation in the amount of \$450.00 for the cloud subscription annual renewal. Officer Johnson recommended moving the cloud subscription and traffic control software to the westbound traffic control sign on W. Belfort Blvd.

The Board discussed options for an additional permanent location to store the patrol vehicles. Officer Johnson reviewed a proposal from Carolina Carports, Inc. in the amount of \$2,770.00 for a replacement carport structure at Water Plant No. 1. The Board deferred action on the carport proposal.

Following review and discussion, Director Dudley moved to (1) approve the quote from Traffic Logix Corporation in the amount of \$450.00 for the cloud subscription annual renewal; and (2) approve moving the cloud subscription and traffic control software to the westbound traffic control sign on W. Belfort Blvd. Director Stewart 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. Discussion ensued regarding the interceptor pipes that are covered up with mud and do not allow water to exit. The Board requested Mr. Abram to contact the Fort Bend County Drainage District and request that the interceptor pipes be inspected. The Board then requested Champions to prepare a proposal for cleaning out the interceptor pipes for review at the next meeting.

FINANCIAL AND BOOKKEEPING MATTERS

The Board reviewed the bookkeeper's report prepared by Myrtle Cruz, Inc., 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 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 updated the Board on the status of the Year 4 Annual Report for the Texas Pollutant Discharge Elimination System (TPDES) Small Municipal Separate Storm Sewer System (MS4) General Permit.

Mr. Abram updated the Board on the status of the Sanitary Sewer Lift Station No. 1 Rehabilitation project. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$170,100.00, payable to Pioneer Construction Services, LLC ("Pioneer").

Mr. Abram updated the Board on the status of the Water Plant No. 1 Ground Storage Tank No. 2 Recoating project.

Mr. Abram updated the Board on the status of the conditions for service with respect to Alpha and Omega Kingdom Center's proposed connection to the District's facilities. He stated revised site development drawings were received and reviewed, and a letter of no objection was issued on February 21, 2023. He stated fully approved plans have not yet been approved by the City of Sugar Land or Fort Bend County.

Mr. Abram stated the application for approval of a change in project scope related to the \$6,180,000 bond issue was approved by the TCEQ on February 23, 2023. A copy of the approval letter is attached to the engineer's report. Discussion ensued regarding the Water Plant No. 1 Improvement project.

Following review and discussion, Director Dudley moved to approve Pay Estimate No. 1, payable to Pioneer, in the amount of \$170,100.00 for the Sanitary Sewer Lift Station No. 1 Rehabilitation 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. Discussion ensued regarding text alert messaging and opting out options. Mr. Muse stated the storm sewer cleaning will begin in April and will be handled by Torres Construction.

The Board requested MDS to prepare a proposal for tree trimming around streetlights and stop signs in the District for review at the next meeting.

Following review and discussion, Director Dudley moved to approve the bill messages, as presented. 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.

CONDUCT ANNUAL REVIEW AND RECEIVE REPORT FROM OPERATOR ON IDENTITY THEFT PREVENTION PROGRAM AND ADOPT IDENTITY THEFT PREVENTION PROGRAM AMENDMENT

The Board deferred action on this item.

ANNEXATION MATTERS

There was no further discussion on this agenda item.

DISTRICT WEBSITE MATTERS

Director Dudley updated the Board on updates to the District website. She requested that the Board and consultants review and provide comments on the website before the next meeting.

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

The Board discussed holding a special meeting with the Homeowners Associations and Community Improvement Associations located within the District on Thursday, April 27, 2023 at 6:00 p.m. Discussion ensued regarding the scheduling of a shredding only event in September.

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 April 25, 2023, at 8:30 a.m.

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

(SEAL)




Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	<u>Page</u>
Tax assessor/collector's report	2
Engineer's report.....	2
Operator's report.....	2
Security patrol report	3
Detention and drainage facilities report.....	3
Bookkeeper's report.....	4