

MINUTES OF MEETING  
OF THE  
BOARD OF DIRECTORS

SEPTEMBER 18, 2018

THE STATE OF TEXAS §

COUNTY OF FORT BEND §

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 131 §

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 131 (the "District") noticed a special meeting, open to the public, to be held on Tuesday, September 18, 2018, at 6:00 p.m., at 406 Southern Colony Avenue, Rosharon, Texas 77583. a designated meeting place inside the boundaries of the District. Whereupon the meeting was called to order at 6:15 p.m., and the roll was called of the members of the Board, to-wit:

Jennifer Jacobs	-	President
Leslie N. Smith	-	Vice President
Gregory Eknoyan	-	Secretary/Treasurer
Risha Miller	-	Assistant Secretary/Treasurer
Curtis R. Campbell	-	Assistant Secretary/Treasurer

All members of the Board were present, except Director Campbell, thus constituting a quorum. Copies of the meeting notices are attached hereto.

Also present at the meeting were Tina Kelsey of Myrtle Cruz, Inc. ("MCI"), Bookkeeper for the District; Anna Duarte of Tax Tech, Inc. ("TTI"), Tax Assessor/Collector for the District; Kyle Melgren of SiEnvironmental ("SiEnv"), Operator for the District; Marcus Soper, II of Forestar (USA), a Developer of property within the District; Gandolf Burrus and Katerina Dittmore of Grant Development Services ("GDS"); and Laura C. Davis and Deidra Daniels (paralegal) of Sanford Kuhl Hagan Kugle Parker Kahn LLP ("SK Law"), Attorneys for the District.

**PUBLIC HEARING ON PROPOSED 2018 TAX RATE**

At this time the Board opened the meeting to a public hearing on the proposed 2018 tax rate for the District. The Board recognized Ms. Davis, who reminded the Board that at the

District's meeting on August 28, 2018, the Board discussed the District's tax rate for 2018. At such meeting the Board established its intent to set and levy a 2018 tax rate of \$1.05 per \$100 of assessed valuation, which tax shall be allocated \$0.86 per \$100 assessed valuation for debt service purposes and \$0.19 per \$100 assessed valuation for maintenance and operation purposes. The Board then discussed the proposed 2018 tax rate and noting that there were no members of the public present who wished to comment on the 2018 tax rate, closed the public hearing, and resumed the regular meeting.

### **HEAR FROM PUBLIC**

The Board next heard comments from the public on the following matters: (1) inquiry regarding home elevation in new sections of Southern Colony and impact of drainage on older sections; (2) water quality, specifically hardness of water; (3) damage to manhole at 8223 Radial Court; (4) billing issues; and (5) possibility of changing water companies.

Ms. Davis noted that the residents' questions regarding elevation would be forwarded to the District's Engineer for response.

Mr. Melgren responded regarding the water issues, clarifying that the water hardness issues are related to the ground water quality from which the District's well draws and not an operation issue. Mr. Melgren also noted that a water softener system is cost prohibitive at this time, but possibly could be considered in the future. Mr. Melgren advised that the damaged manhole would be inspected and repaired, as necessary..

### **MINUTES FOR THE MEETINGS OF AUGUST 28, 2018**

The proposed minutes of the meetings of the Board held August 28, 2018, previously distributed to the Board, were presented for consideration and approval.

Upon motion by Director Miller, seconded by Director Eknayan, and after full discussion, the Board voted unanimously to approve the minutes for the meeting held on August 28, 2018, as presented.

## **PUBLIC HEARING – PARK PLAN**

The Board recognized Mr. Burrus, who, at 6:32 p.m., opened the public hearing to receive comments regarding park and recreational needs in connection with the District's application for funding under the 2018 Texas Parks and Wildlife Non-Urban Outdoor Recreation Grant Program.

Mr. Burrus provided a general overview of the grant process and of the proposed park and recreational facilities to be constructed if the District is awarded the Texas Parks & Wildlife Grant, noting that, if the grant is awarded, the District would receive \$500,000, and would receive an overmatch of funds from Sienna Plantation Levee Improvement District ("SPLID") in the amount of \$637,500.

Mr. Burrus noted that some of the park facilities being considered for construction, among other things, were (1) walking trails around the detention pond, with bird watching stations, exercise equipment, and benches; (2) a new splash pad; (3) renovated children's playground; (4) community garden; and (5) public restrooms adjacent to the splash pad.

Several members of the public commented on the proposed projects, and questioned how the new park facilities would be maintained. Director Jacobs noted it was anticipated that the facilities would be maintained by the District, the SPLID, and Southern Colony Homeowners Association (the "SCHOA").

When no further comments were forthcoming, the public hearing was closed at 6:36 p.m.

## **PARK GRANT**

The Board recognized Ms. Davis, who presented to the Board for approval (1) a Resolution Approving Application for Funding under the 2018 Texas Parks and Wildlife Non-Urban Outdoor Recreation Program; (2) a Commitment Letter from the SPLID regarding long-term lease agreement for the 19.68 acre SPLID detention pond site for installation and use of recreation facilities; (3) a Commitment Letter from SCHOA related to the permanent park easement for the 7.141 acre Southern Colony Recreation Center Park; (4) a Commitment Letter from SCHOA related to the permanent park easement for the 0.357-acre Obsidian Pocket Park; (5) a Commitment Letter from SPLID of funding support in the amount of \$637,500 from SPLID for park improvements; and (6) a commitment letter of funding support in the amount of \$25,000 for park improvements from SCHOA.

Upon motion by Director Miller, seconded by Director Smith-Boards, and after full discussion, the Board voted unanimously to approve (1) a Resolution Approving Application for Funding under the 2018 Texas Parks and Wildlife Non-Urban Outdoor Recreation Program; (2) a Commitment Letter from the SPLID regarding long-term lease agreement for the 19.68 acre SPLID detention pond site for installation and use of recreation facilities; (3) a Commitment Letter from SCHOA related to the permanent park easement for the 7.141 acre Southern Colony Recreation Center Park; (4) a Commitment Letter from SCHOA related to the permanent park easement for the 0.357-acre Obsidian Pocket Park; (5) a Commitment Letter from SPLID of funding support in the amount of \$637,500 from SPLID for park improvements; (6) a commitment letter of funding support in the amount of \$25,000 for park improvements from SCHOA.

Director Miller noted that the District's Tax Assessor had also pledged to donate \$250 to the park project and thanked Ms. Duarte and Tax Tech for their support.

#### **FINANCIAL ADVISOR'S REPORT**

No report was offered.

#### **BOOKKEEPER'S REPORT**

The Board recognized Ms. Kelsey, who submitted to and reviewed with the Board the Bookkeeper's Report, and certain invoices for payment by the District. Discussion followed regarding cost associated with the District's website.

Upon motion by Director Eknoyan, seconded by Director Smith-/Boards, and after full discussion, the Board voted unanimously to (1) approve the Bookkeeper's Report; and (2) authorize payment of the checks presented, except for the check to Triton, which the Board instructed to Bookkeeper to hold until further notice.

#### **TAX ASSESSOR COLLECTOR'S REPORT**

The Board recognized Ms. Duarte, who reviewed with the Board the Tax Assessor/Collector's Report, including checks submitted for signature, a copy of which is attached hereto.

Upon motion by Director Miller, seconded by Director Eknoyan, and after full discussion, the Board voted unanimously to (1) approve the Tax Assessor/Collector's Report; and (2) authorize payment of the tax checks listed therein.

#### **OPERATOR'S REPORT**

The Board recognized Mr. Melgren, who presented the Operator's Report, and reviewed the expenses and explained various charges.

Upon motion by Director Eknoyan, seconded by Director Smith-Boards, and after full discussion, the Board voted unanimously to approve the Operator's Report.

#### **ENGINEER'S REPORT**

The Board recognized Ms. Davis, who, on behalf of the District's Engineer, presented the Engineer's report and requested items for approval, as follows: (1) authorize Engineer to proceed with design of Southern Colony, Section 4C water, sewer, and drainage facilities; (2) approve Pay Estimate No. 4, in the amount of \$219,016.71, payable to Dimas Bros. Construction for Southern Colony, Section 4A; and (3) award of the construction contract to Dimas Bros. Construction in the amount of \$1,251,048.38, for the water, sewer, and drainage facilities to serve Southern Colony, Section 4B.

Upon motion by Director Smith-Boards, seconded by Director Eknoyan, and after full discussion, the Board voted unanimously to: (1) authorize Engineer to proceed with design of Southern Colony, Section 4C water, sewer, and drainage facilities; (2) approve Pay Estimate No. 4, in the amount of \$219,016.71, payable to Dimas Bros. Construction for Southern Colony, Section 4A; (3) award of the construction contract to Dimas Bros. Construction in the amount of \$1,251,048.38, for the water, sewer, and drainage facilities to serve Southern Colony, Section 4B; and (4) approve the Engineer's Report.

#### **DEVELOPER'S REPORT**

The Board recognized Mr. Soper who provided an update of development in Southern Colony Sections 4A, 4B, and 4C, noting that, to date, DR Horton has sold 204 homes within the community at an average sales price of \$200,000, which has added \$40,800,000 of taxable value to the District. Mr. Soper also noted that there had been 12 sales and 20 closings in the month of August.

The Board noted that no action was necessary in connection with the Developer's Reports.

**ATTORNEY'S REPORT**

**Order Setting 2018 Tax Rate**

Consideration was then given to the adoption of an Order Setting Tax Rate and Levying Tax for 2018.

Upon motion by Director Eknoyan, seconded by Director Smith-Boards, and after full discussion, the Board voted unanimously to set and levy a 2018 tax rate of \$1.05 per \$100 of assessed valuation, which tax shall be allocated \$0.86 per \$100 assessed valuation for debt service purposes and \$0.19 per \$100 assessed valuation for maintenance and operation purposes, and to adopt the Order Setting Tax Rate evidencing the same.

**Amendment to Notice to Sellers and Purchasers**

Consideration was then given to a proposed Amendment to Notice to Sellers and Purchasers. Ms. Davis informed the Board that the Notice to Sellers and Purchasers must be revised to reflect the 2018 tax rate levied by the District and the Notice will be filed in the Fort Bend County Real Property records and with the Texas Commission on Environmental Quality (the "Commission").

Upon a motion made by Director Eknoyan, seconded by Director Smith-Boards, the Board by unanimous vote approved the Amendment to Notice to Sellers and Purchasers of Real Estate Located Within the District and authorized Ms. Davis to file said Notice in the Fort Bend County Real Property Records and with the Commission.

**Additional Law Enforcement Services**

The Board recognized Ms. Jacobs, who discussed with the Board the Texas SmartBuy program, which is a service from the Comptroller's office, which offers best value procurements through state contract usage at the local level, and is available to the District for an annual fee of \$100, noting that

membership in the program could assist with, among other things, negotiating a contract for additional law enforcement services at a reduced cost to the District.

Upon motion by Director Eknoyan, seconded by Director Miller, and after full discussion, the Board approved the District's membership in the Texas SmartBuy program, at an annual cost of \$100, and authorized Director Jacobs to be the primary contact to execute documentation pertaining to the District's participation in the SmartBuy program.

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

PASSED, APPROVED, AND ADOPTED, this 27th day of November, 2018.

  
Secretary Board of Directors

