

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

MAY 28, 2019

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 regular meeting, open to the public, to be held on Tuesday, May 28, 2019, at 12:00 p.m., at 1980 Post Oak Boulevard, Suite 1380, Houston, Texas 77056, a designated meeting place outside the boundaries of the District. Whereupon the meeting was called to order at 12:04 p.m., and the roll was called of the members of the Board, to-wit:

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

All members of the Board were present, except Director Miller, 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"), Bookkeepers for the District; Michael Rusk and Jacob Clark of LJA Engineering, Inc. ("LJA"), Engineers for the District; Esther Flores of Tax Tech, Incorporated ("TTI"), Tax Assessors for the District; Kyle Melgren of SiEnvironmental, LLC ("SiE"), Operators for the District; Adam Cohen of Robert W. Baird & Co. Incorporated ("Baird"), Financial Advisor for the District; Marcus Soper, II of Forestar (USA) Real Estate Group Inc., a Developer of property within the District; Kevin Atkinson of Texas Pride Disposal Solutions, L.L.C. ("Texas Pride"); and Laura C. Davis, Tamara Sharkey, and Khari Dotson of Sanford Kuhl Hagan Kugle Parker Kahn LLP ("SK Law"), Attorneys for the District.

HEAR FROM PUBLIC

The Board noted that no public wished to address the Board.

MINUTES FOR THE MEETING OF MARCH 26, 2019

The proposed minutes of the meeting of the Board held March 26, 2019, previously distributed to the Board, were presented for consideration and approval.

Upon motion by Director Campbell, seconded by Director Jacobs, and after full discussion, the Board voted unanimously to approve the minutes for the meeting held on March 26, 2019, as presented.

WEBSITE REPORT

The Board recognized Ms. Davis, who submitted to and reviewed with the Board the Website Report. Director Jacobs noted hurricane season is approaching and the Board discussed posting hurricane preparedness information on the District's website, as well as linking the Fort Bend County and Sienna Plantation Levee Improvement District Board ("SPLID") websites for additional emergency information. It was the consensus of the Board to have District's website updated with hurricane preparedness information and links to Fort Bend County and SPLID websites when hurricane season begins.

The Board noted that no action was necessary in connection with the Website Report.

TEXAS PRIDE

The Board recognized Mr. Atkinson, who submitted to and reviewed with the Board the Texas Pride Service Improvement Plan for trash service within the District. Mr. Atkinson informed the Board the new 7:00 a.m. start time for the Wednesday and Saturday route will begin June 1. The Directors advised Mr. Atkinson of some resident concerns, including a trash pickup crew member using a customer's hose bib and crew arguing about their route divisions. Mr. Atkinson stated he would follow up on the concerns and report back to the Board. It was the consensus of the Board to post the new trash pickup times on the District's website.

The Board noted that no action was necessary in connection with the Service Improvement Plan.

BOOKKEEPER'S REPORT

The Board recognized Ms. Kelsey, who submitted to and reviewed with the Board the Bookkeeper's Report, a copy of which is attached hereto, and certain invoices for payment by the District. Ms. Kelsey also distributed a draft budget for the fiscal year ending June 30, 2020 and noted the Board will need to adopt its annual budget in July.

Upon motion by Director Smith-Boards, seconded by Director Campbell, and after full discussion, the Board voted unanimously to (1) approve the Bookkeeper's Report; and (2) authorize payment of the checks presented.

TAX ASSESSOR COLLECTOR'S REPORT

The Board recognized Ms. Flores, who reviewed with the Board the Tax Assessor/Collector's Report, including checks submitted for signature, a copy of which is attached hereto. Ms. Flores informed the Board notices of delinquent accounts had been mailed out and no accounts were eligible for termination of water service at this time.

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

DELINQUENT TAX REPORT

No report was offered.

ENGINEER'S REPORT

The Board recognized Mr. Rusk, who submitted to and reviewed with the Board the Engineer's Report and requested that the Board (1) approve Pay Estimate No. 3, in the amount of \$277,048.84, payable to Dimas Bros. Construction for Southern Colony, Section 4B; (2) approve Pay Estimate No. 1, in the amount of \$101,520.00, payable to W. W. Payton Corporation, for Water Plant Expansion Phase II; and (3) award of the construction contract to Rodriguez Construction Group, LLC, in the amount of \$278,500.00, for Southern Colony, Section 5. Mr. Rusk noted the amount for the construction contract for Section 5 also includes paving costs for which the District will not be responsible. Mr. Rusk next informed the Board that paving is in progress on Southern Colony, Section 4B; Lift Station 2 is substantially complete; the Wastewater Treatment Plant Phase II is now repaired after a switch was damaged by a lightning strike; and advertising for bids has begun for Wastewater Treatment Plant, Phase 3, and the amended TCEQ Wastewater Treatment Plant permit is expected by the end of June.

The Board recognized Mr. Clark, who submitted to and reviewed with the Board the proposal for Landscape Architecture, Engineering, and Surveying Services for the Park Grant, as discussed at previous

meetings. The Directors questioned Mr. Clark regarding the scope of services included in the proposal, including covered survey services and Park Grant required sign preparation. Mr. Clark stated he would discuss with the marketing department if signs required for the Park Grant could be designed so they would fall under the marketing budget in the proposal and would report back to the Board with a proposed draft of such signage. Ms. Davis noted the Park Grant is based on reimbursement of costs and the Board discussed using other funds, such as using SPLID's matched funds or contributions from the Southern Colony Homeowners Association, to pay up-front costs.

After discussion, the Board concurred to defer action on the proposal until later in the meeting.

Upon motion by Director Smith-Boards, seconded by Director Campbell, and after full discussion, the Board voted unanimously to: (1) approve the Engineer's Report; (2) approve Pay Estimate No. 3, in the amount of \$277,048.84, payable to Dimas Bros. Construction for Southern Colony, Section 4B; (3) approve Pay Estimate No. 1, in the amount of \$101,520.00, payable to W. W. Payton Corporation, for Water Plant Expansion Phase II; and (4) award of the construction contract to Rodriguez Construction Group, LLC, in the amount of \$278,500.00, for Southern Colony, Section 5.

OPERATOR'S REPORT

The Board recognized Mr. Melgren, who submitted to and reviewed with the Board the Operator's Report. Mr. Melgren also reviewed the listing of delinquent accounts. The Directors noted that the delinquent list was quite lengthy and that many residents were habitually delinquent. Mr. Melgren stated he would provide the Board with the costs associated with handling delinquent accounts and disconnections and would also provide the number of accounts actually disconnected at all future Board meetings.

Mr. Melgren next submitted to and reviewed with the Board the District's required annual Consumer Confidence Report, noting the Report reflects that there were no violations and the Report would be distributed to all residents.

Upon motion by Director Campbell, seconded by Director Smith-Boards, and after full discussion, the Board voted unanimously to (1) approve the Operator's Report; and (2) approve the Consumer Confidence Report.

DISTRICT RATE ORDER

The Board discussed amending the District’s Rate Order to include additional deposits or fees for habitually delinquent residents or those whose service had been terminated for non-payment. Mr. Melgren noted the actual number of terminations are significantly lower than the initial termination list.

The Board decided to take no action on the Rate Order at this time.

DEVELOPER’S REPORT

The Board recognized Mr. Soper, who discussed the status of development in the District. The Directors discussed the percentage of owners that are investors compared to residents and questioned Mr. Soper and Ms. Flores regarding number of homestead exemptions filed. Mr. Melgren and Ms. Flores stated they would review tax records for homestead exemptions and the percent of purchases by corporations and report their findings back to the Board.

The Board noted that no action was necessary in connection with the Developer’s Report.

ATTORNEY’S REPORT

Resolution Requesting Approval from the TCEQ for Use of Surplus Funds

The Board recognized Ms. Davis, who submitted to and reviewed with the Board a proposed Resolution Requesting Approval from the TCEQ for Use of Surplus Funds to reimburse the developer for a portion of Southern Colony, Section 3A.

Resolution Requesting Estimate of Value

The Board next considered a proposed Resolution Requesting Fort Bend County Appraisal District for Estimate of Value as of June 1, 2019.

Resolution Regarding Unclaimed Property

The Board next discussed a proposed annually required Resolution Regarding Unclaimed Property. Ms. Davis informed the Board the District had no unclaimed property.

Resolution Providing for Annual Review of Identity Theft Prevention Program

The Board next discussed a proposed annually required Resolution Providing for Annual Review of Identity Theft Prevention Program. Mr. Melgren informed the Board no red flags were noted the previous year.

Resolution Providing for Annual Review of Emergency Preparedness Plan

The Board next discussed a proposed annually required Resolution Providing for Annual Review of Emergency Preparedness Plan. Mr. Rusk informed the Board the Emergency Preparedness Plan would need to be updated upon completion of the Water Plant Expansion.

Upon motion by Director Campbell, seconded by Director Smith-Boards, and after full discussion, the Board voted unanimously to approve (1) the Resolution Requesting Approval from the TCEQ for Use of Surplus Funds; (2) Resolution Requesting Fort Bend County Appraisal District for Estimate of Value; (3) Resolution Regarding Unclaimed Property; (4) Resolution Providing for Annual Review of Identity Theft Prevention Program; and (5) Resolution Providing for Annual Review of Emergency Preparedness Plan.

Proposal for Landscape Architecture, Engineering, and Surveying Services

Upon motion by Director Campbell, seconded by Director Smith-Boards, and after full discussion, the Board voted unanimously to approve the proposal for Landscape Architecture, Engineering, and Surveying Services with LJA for recreational facilities in the District.

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

PASSED, APPROVED, AND ADOPTED, this 23rd day of July 2019.



Secretary, Board of Directors