

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 37

MINUTES OF MEETING OF BOARD OF DIRECTORS

April 15, 2015

The Board of Directors (the "Board" or the "Directors") of Fort Bend County Municipal Utility District No. 37 (the "District") met in regular session at 7:00 p.m., at 1301 Misty Bend, Katy, Texas 77494, on Wednesday, April 15, 2015, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code. The roll was called of the members of the Board, to-wit:

Stephen Berckenhoff	President
David A. Carp	Vice President
Rudolph Ammer	Secretary
Larry W. Davis	Treasurer/Investment Officer
Kenneth L. Comeaux	Assistant Secretary

All members of the Board were present, thus constituting a quorum. Also attending all or portions of the meeting were: Kim Shelnett of Myrtle Cruz, Inc. (the "Bookkeeper" or "MCI"), bookkeeper for the District; Jeff Sonnheim of Equi-Tax, Inc. (the "Tax Assessor/Collector" or "Equi-Tax"), tax assessor/collector for the District; Joe Williams of ST (the "Operator" or "ST"), operator for the District; David Leyendecker, of Clay & Leyendecker, Inc., the District's Engineer; and Alan P. Petrov of Johnson Petrov LLP (the "Attorney" or "JP"), attorneys for the District.

The President, after finding that the notice of the meeting was posted as required by law and determining that a quorum of the Board was present, called the meeting to order and declared it open for such business as may regularly come before it.

1. Public Comment. The President inquired whether there was any public comment concerning the business of the District. There being no public comments, the President directed the Board to proceed with the agenda.

2. Approval of Minutes. The Board then considered approval of the March 18, 2015 regular meeting minutes. Upon motion by Director Ammer, seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board approved such minutes, as presented.

3. Tax Assessor/Collector Report. The Tax Assessor/Collector's Report was presented by Mr. Sonnheim, a copy of which is attached hereto as Exhibit "A".

a. Mr. Sonnheim reviewed the written report and responded to questions from the Board.

b. The Tax Assessor/Collector's Report reflected that 96.4% of the 2014 taxes have been collected as of March 31, 2015.

Upon motion by Director Carp, seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board approved the Tax Assessor/Collector's Report, as presented and authorized payment of check number 1988 from the Tax Account.

4. Operations Report. Mr. Williams then presented the Operations Report, a copy of which is attached hereto as Exhibit "B".

a. Mr. Williams reviewed the written report and responded to questions from the Board.

b. Mr. Williams reported that 90.77% of the water pumped was accounted for during the previous month.

c. Mr. Williams reported three (3) delinquent accounts for non-payment of water and sewer bills.

d. Update on Plute Development connections. Mr. Williams reported that he had not yet been contacted by Plute; however Mr. Petrov informed the Board that Plute had submitted a check to the District for \$213,900. Mr. Petrov verified that the amount was for the full payment of the water and wastewater connection authorized by the Plute Agreement.

e. Fence Repair at Breezy Bend. At the March Board of Director's meeting the resident at 1803 Breezy Bend expressed a concern about the dilapidated fence across the right-of-way at Breezy Bend. Mr. Williams reported that the resident has replaced the fence.

f. 2014 Drinking Water Quality Report. Mr. Williams distributed the draft 2014 Drinking Water Quality Report/Consumer Confidence Report (the "CCR") for the Board and Mr. Petrov to review, a copy of which is attached hereto as Exhibit "B-1". Mr. Williams stated that the District's water meets all federal requirements.

Upon motion by Director Comeaux seconded by Director Ammer, after full discussion and with all Directors present voting aye, the Board approved the Operations Report, as presented including, authorizing termination of service to three (3) delinquent accounts pursuant to the District's Rate Order and approving the 2014 CCR and authorizing distribution of same.

5. Bookkeeper's Report and Investment Report. Ms. Shelnett presented the Bookkeeper's Report and Investment Report, copies of which are attached hereto as Exhibit "C".

a. Ms. Shelnett first reviewed the written reports and responded to questions from the Board.

b. Next, Ms. Shelnett reviewed the current and year-to-date revenue and expenditures against the District's budget for the fiscal year ending August 31, 2015.

Upon motion by Director Comeaux, seconded by Director Davis, after full discussion and with all Directors present voting aye, the Board approved the Bookkeeper's Report and

Investment Report, as presented, and authorized payment of checks numbered 7456 through 7475 from the Operating Account.

6. Engineer's Report. Mr. Leyendecker represented the Engineer's Report.
 - a. Mr. Leyendecker reported that the City is moving its new fire station.
 - b. Next, the Board discussed the proposed Westheimer Parkway development project. Mr. Petrov distributed a draft letter of intent and a draft Annexation Agreement. Mr. Petrov discussed the process for annexation and Mr. Leyendecker discussed the costs associated with providing water, sewer and drainage service to the Property. The Board requested Messrs. Leyendecker and Petrov work with the Developer to complete an annexation agreement to be presented at a future meeting.

Upon motion by Director Davis seconded by Director Carp, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report.

7. Old Business.
 - a. Status of maintenance of Katy Mills Berm and proposed Katy Mills Management District. There was no update at this time.
 - b. Status of Relocating Street Light(s) – Pin Oak Village and Mills Pointe. There was no update at this time.
 - c. Status of Committee Exploring Options with the City of Katy. Director Ammer reviewed with the Board the options with the City of Katy. Director Ammer discussed the possible benefits to the District's residents to be transferred from Houston's ETJ to Katy's ETJ. Director Ammer further stated that the committee will be attending a City of Katy staff meeting to discuss options and possible next steps directly with Katy.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

SIGNED, PASSED and APPROVED this 20th day of May, 2015.




Secretary, Board of Directors

EXHIBITS:

- A - Tax Assessor/Collector's Report
- B - Operations Report
- B-1- Draft 2014 Drinking Water Quality Report/Consumer Confidence Report
- C - Bookkeeper's Report and Investment Report