

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 37**

**MINUTES OF MEETING OF BOARD OF DIRECTORS**

**OCTOBER 18, 2017**

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, October 18, 2017, 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:

Larry W. Davis	President/Investment Officer
Kenneth L. Comeaux	Vice President/Co-Tax Compliance Officer
Stephen Berckenhoff	Secretary
David A. Carp	Treasurer
Rudy Ammer	Assistant Secretary/Co-Tax Compliance Officer

All members of the Board were present, with the exception of Director Larry Davis, 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; Bob Ring of ST (the "Operator" or "ST"), operator for the District; David Leyendecker, of Clay & Leyendecker, Inc., engineer for the District; 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 as to whether there was any public comment concerning the business of the District. There being no public comment, the President directed the Board to proceed with the agenda.

2. Approval of Minutes. The Board then considered approval of the September 20, 2017 regular meeting minutes. Upon motion by Director Carp, seconded by Director Ammer, after full discussion and with all Directors present voting aye, the Board approved the minutes as presented.

3. Bookkeeper's Report and Investment Report. Ms. Shelnett reviewed with the Board the Bookkeeper's Report and Investment Report, copies of which are attached hereto as Exhibit "A".

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

b. Ms. Shelnett then reviewed the current and year-to-date revenue and expenditures against the District's budget for the fiscal year ending August 31, 2017.

Investment Report, as presented, authorized payment of checks numbered 1001 through 1026 from the Operating Account.

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

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

b. The Tax Assessor/Collector's Report reflected 98.5% of the 2016 taxes had been collected as of September 30, 2017.

Upon motion by Director Berckenhoff, seconded by Director Carp, 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 numbers 2105 thru 2106 from the Tax Account.

5. Operations Report. Mr. Ring presented the Operations Report, a copy of which is attached hereto as Exhibit "C".

a. Mr. Ring reviewed the written report and responded to questions from the Board. He reported that the WWTP experienced an NH<sub>3</sub> permit violation during Hurricane Harvey.

b. Next, Mr. Ring reported that 82.24% of the water pumped was accounted for during the previous month. Mr. Ring also reported nine (9) delinquent accounts for non-payment of water and sewer bills and one (1) collection account.

c. Mr. Ring updated the Board on the Water Meter Project, reporting that a majority of the 5/8ths inch meters have been replaced. He stated that the remaining meters are in the process of being replaced, but found that 219 meters to be replaced were 1-inch meters and those had to be ordered.

Upon motion by Director Berckenhoff seconded by Director Ammer, after full discussion and with all Directors present voting aye, the Board approved the Operations Report; authorized termination of service to nine (9) delinquent accounts pursuant to the District's Rate Order; and authorized turning over one (1) account to collections;

6. Engineering Report.

a. Mr. Leyendecker reported on the current development in the vicinity of the District. He also responded to questions from the Board.

b. Mr. Leyendecker updated the Board on the annexation request of Keivans Hospitality. He stated he will be meeting with their new engineer to discuss water and wastewater needs.

c. Mr. Leyendecker reported that the draft permit had been issued by TCEQ and he is advertising the permit now in accordance with the rules of the TCEQ.

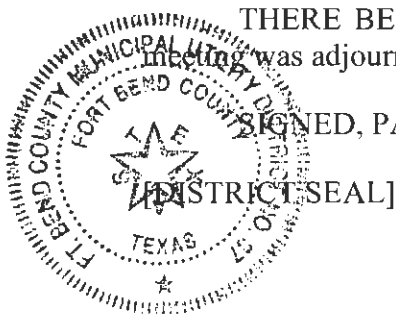
Upon motion by Director Ammer seconded by Director Berckenhoff, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report.

7. Old Business.

a. Status of Maintenance of Katy Mills Berm and proposed Katy Mills Management District. There was no action on this item.

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

SIGNED, PASSED and APPROVED this 15<sup>th</sup> day of November, 2017.



*Stephen Berckenhoff*  
Secretary, Board of Directors

EXHIBITS:

- A - Bookkeeper's Report
- B - Tax Assessor/Collector's Report
- C - Operations Report