

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 37

MINUTES OF MEETING OF BOARD OF DIRECTORS

JANUARY 24, 2018

The Board of Directors (the "Board" or the "Directors") of Fort Bend County Municipal Utility District No. 37 (the "District") met in special session at 7:00 p.m., at 1301 Misty Bend, Katy, Texas 77494, on Wednesday, January 24, 2018, 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, 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; Alan P. Petrov of Johnson Petrov LLP (the "Attorney" or "JP"), attorneys for the District; Allen Perez with the Westheimer Parkway Project ("Developer"); and Stephanie Hayes with Keivans Hospitality Inc. ("Developer").

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 December 20, 2017 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 the minutes subject to certain corrections.

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 19.1% of the 2017 taxes had been collected as of December 30, 2017.

Upon motion by Director Comeaux, seconded by Director Berckenhoff, 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 2128 thru 2143 from the Tax Account.

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

a. Mr. Ring reviewed the written report. He also informs the Board about a permit violation at the Wastewater Plant and discussions actions to resolve same. Mr. Ring also responded to questions from the Board.

b. Next, Mr. Ring reported that 90.93% of the water pumped was accounted for during the previous month. Mr. Ring also reported one (1) account on the collection list and five (5) delinquent accounts for non-payment of water and sewer bills. He also updated the Board on the water meter project.

Upon motion by Director Ammer seconded by Director Carp, after full discussion and with all Directors present voting aye, the Board approved the Operations Report and authorized termination of service to five (5) delinquent accounts pursuant to the District's Rate Order.

5. Bookkeeper's Report and Investment Report. Ms. Shelnutt reviewed with the Board the Bookkeeper's Report and Investment Report, copies of which are attached hereto as Exhibit "C".

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

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

Upon motion by Director Comeaux, seconded by Director Ammer, after full discussion and with all Directors present voting aye, the Board approved the Bookkeeper's Report and Investment Report, as presented, authorized payment of checks numbered 1077 through 1096 from the Operating Account.

6. Engineering Report. Mr. Leyendecker updated the Board on current activities in the District and responded to questions from the Board.

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

7. New Business.

a. The LED Street Light Installation Agreement was presented for ratification from the December 20, 2017 meeting.

Upon motion by Director Ammer, seconded by Director Carp, and after full discussion and all Directors presented voting aye, the Board voted to ratify and approve: the LED Street Light Installation Agreement from December 20, 2017.

b. The Board reviewed and discussed information reported on the Enstor Natural Gas Storage. The Board determined that this was not credible.

8. 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 21st day of February, 2018.

[DISTRICT SEAL]


Secretary, Board of Directors

EXHIBITS:

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

