

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

**MINUTES OF MEETING OF BOARD OF DIRECTORS**

**MAY 16, 2018**

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, May 16, 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:

Kenneth L. Comeaux	President/Co-Tax Compliance Officer
Stephen Berckenhoff	Vice President
David A. Carp	Secretary
Rudy Ammer	Treasurer /Co-Tax Compliance Officer
Larry W. Davis	Assistant Secretary /Investment 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 Inframark (the "Operator" or "Inframark"), operator for the District; David Leyendecker of Clay & Leyendecker, Inc. (the "Engineer"); Alan P. Petrov of Johnson Petrov LLP (the "Attorney" or "JP"), attorneys for the District; Stephanie Hayes with Keivans Hospitality Inc. ("Developer"); and Mr. and Mrs. Carrico, residents of 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 Board discussed with the residents Mr. and Mrs. Carrico the Harvey flooding and a document submitted to the Board by Mr. J.D. Schuck, a copy of which is attached hereto as Exhibit "A". The Board discussed revisions to the document to clarify certain points. The Board also discussed sending a letter to the City of Katy and the Katy Development District.

2. Approval of Minutes. The Board then considered approval of the April 18, 2018 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 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 "B".

a. Ms. Shelnett 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.

c. The Board discussed the hourly rate for the election officials. Upon motion by Director Comeaux, seconded by Director Carp, after full discussion and with all Directors present voting aye, the Board authorized a rate of \$20.00 per hour for the election officials. Ms. Shelnutt stated she would reissue the checks to the election officials to reflect \$20.00 a rate of per hour.

Upon motion by Director Berckenhoff, seconded by Director Carp, 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 1166 through 1190 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 "C".

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

b. The Tax Assessor/Collector's Report reflected 97.2% of the 2017 taxes had been collected as of April 30, 2018.

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 2172 thru 2174 from the Tax Account.

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

a. Mr. Ring reviewed the written report and responded to questions from the Board. He also reported that the Quadvest Lift Station is still causing a problem and that he will be investigating options to address same.

b. The Water Meter Project is now complete.

c. Next, Mr. Ring presented an estimate from Champions Hydro-Lawn, Inc. in the amount of \$5,310.00 to clear the ditch, remove trees and clean backslope swales at 6 AC Westheimer Parkway at Shadow Forest (North Channel).

Upon motion by Director Comeaux seconded by Director Ammer, after full discussion and with all Directors present voting aye, the Board approved i) the Operations Report; and ii) authorized termination of service to six (6) delinquent accounts pursuant to the District's Rate Order.

6. Engineering Report. Mr. Leyendecker reported on the current development in the vicinity of the District. He also reported that he was contacted by a firm investigating additional service near the MUD 182 connection. He responded to questions from the Board.

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

7. New Business.

a. Delinquent Tax Collection Agreement. The Board reviewed and discussed renewal of the Delinquent Tax Collection Agreement with The Mastriani Law Firm ("Mastriani") and acceptance of Form 1295, copies of which are attached as Exhibit "E".

Upon motion by Director Ammer seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board approved renewal of the Delinquent Tax Collection Agreement with The Mastriani.

b. Order Canvassing Returns and Declaring Results of Director's Election.

Mr. Petrov directed the Board to consider certain Election Agenda matters.

Adopt Order Canvassing the Election Directors Berckenhoff, Ammer and Comeaux for four (4) year term ending 2022, a copy of which is attached hereto as Exhibit "F". Next, he presented the Certificates of Election, which were executed for Directors Berckenhoff, Ammer and Comeaux, copies of which are attached as Exhibit "F-1."

Mr. Petrov presented Director Qualification Affidavits, copies of which are attached as Exhibit "F-1".

He then presented the Statements of Elected/Appointed Officer, copies of which are attached as Exhibit " F-1," as required by the Texas Constitution and administered the Oaths of Office to Directors Berckenhoff, Ammer and Comeaux, copies of which are attached as Exhibit " F-1."

Mr. Petrov then inquired if the Board would like to change the slate of officers and upon motion by Director Berckenhoff, seconded by Director Carp, the Board agreed to change the slate of officers as follows: Kenneth L. Comeaux, as President/Co-Tax Compliance Officer; Steve Berckenhoff as Vice President; David A. Carp as Secretary; Rudolph C. Ammer as Treasurer/Co-Tax Compliance Officer and as Larry W. Davis as Assistant Secretary/Investment Officer.

8. Old Business.

a. Status of Maintenance of the Katy Mills berm and Katy Mills Management District. No action taken.

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

SIGNED, PASSED and APPROVED this 20<sup>th</sup> day of June, 2018.



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Secretary, Board of Directors

EXHIBITS:

- A - Pin Oak Flood Report
- B - Bookkeeper's Report
- C - Tax Assessor/Collector's Report
- D - Operations Report
- E - Delinquent Tax Collection Agreement and Form 1295
- F - Order Canvassing Returns and Declaring Results of Director's Election
- F-1 - Certificates of Election, Qualification Affidavits, Statements of Elected/Appointed Officer and Oaths of Office