

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 37

MINUTES OF MEETING OF BOARD OF DIRECTORS

FEBRUARY 16, 2022

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, February 16, 2022, 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:

Rudy Ammer	President
Larry W. Davis	Vice President
Kenneth L. Comeaux	Secretary
Greg Murray	Assistant Secretary
Stephen Berckenhoff	Treasurer

All members of the Board were present, thus constituting a quorum. Also attending were Kim Shelnutt of Myrtle Cruz, Inc. (the "Bookkeeper" or "MCI"), bookkeeper for the District; Russ Davis of Equi-Tax, Inc. (the "Tax Assessor/Collector" or "Equi-Tax"), tax assessor/collector for the District; Robert Lugo of Inframark (the "Operator" or "Inframark"), operator for the District; Jon Strange P.E. of JNS Engineers, engineer for the District ("Engineer"); Ray Young of Water Engineers, Inc. ("Project Engineer"); Alan P. Petrov of Johnson Petrov LLP (the "Attorney" or "JP"), attorneys for the District; and Allen Perez with the Westheimer Parkway Project ("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.

There being no public comment the Board President proceeded with the regular agenda.

2. Approval of Minutes. The Board next considered approval of the regular meeting minutes of January 19, 2022, which were previously distributed to the Board.

Upon motion by Director Murray, 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. Shelnutt previously distributed the Bookkeeper's Report and Investment Report, copies of which are attached hereto as Exhibit "A". She reviewed the written report and responded to questions. Discussion ensued.

Upon motion by Director Murray, seconded by Director Berckenhoff, after full discussion and with all Directors present voting aye, the Board approved 1) the Bookkeeper's

Report and Investment Report, as presented, and 2) authorized payment of checks from the Operating Account and Central Bank.

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

a. Mr. Davis reviewed with the Board the Tax Assessor/Collector's Report. He also responded to questions from the Board.

b. Mr. Davis next reported that 99.5% of the 2020 taxes had been collected and 73.4% of the 2021 taxes had been collected as of January 31, 2022.

c. Mr. Davis then presented and reviewed the Delinquent Tax Collection Report prepared by the Thornhill Law Firm, a copy of which is attached hereto as Exhibit "B-1". Mr. Davis noted one (1) collection account and one (1) unpaid account.

d. The Board reviewed and considered approval of the Order Determining Ad Valorem Tax Exemption, a copy of which is attached hereto as Exhibit "B-2". Mr. Petrov reminded the Board of the current tax exemptions, including homestead exemptions, exemptions for residents 65 years of age and older, and exemptions for disabled residents. In previous years, the Board granted a homestead exemption of 20% of the appraised value or \$5,000, whichever is greater; a \$10,000 exemption for disabled persons and for persons 65 years of age or older; an exemption for travel trailers with certain size restrictions; and exemptions for certain real and personal property owned by qualified charitable organizations.

e. The Board reviewed and considered approval the Resolution Authorizing Petition Challenging Appraisal Records for the Tax Assessor/Collector to represent the District in filing a protest with the Fort Bend Central Appraisal District ("FBCAD"), a copy of which is attached as Exhibit "B-3". Mr. Petrov stated that this allows Equi-Tax to represent the District in matters before FBCAD.

f. Then the Board reviewed the Resolution Implementing Penalty on 2021 Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Taxes, a copy of which is attached as Exhibit "B-4".

Upon motion by Director Berkenhoff, seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board 1) approved the Tax Assessor/Collector's Report, as presented; 2) authorized payment of check numbers 2353 thru 2355 from the Tax Account; 3) approved the Delinquent Tax Attorney Report, including water service termination for any unpaid accounts and one (1) collection account; 4) approved the Order Determining Ad Valorem Tax Exemption; 5) approved the Resolution Authorizing Petition Challenging Appraisal Records; and 6) Resolution Implementing Penalty on 2021 Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Taxes.

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

a. Mr. Lugo reviewed the current operations in the District with the Board and answered questions.

b. Mr. Lugo discussed the Quadvest meter replacement and reported that the meter was under warranty. The Board requested Mr. Lugo review the prior billings to Quadvest and to contact Quadvest regarding their actual usage and prepare an adjustment to the bill to reflect the actual usage during the period that the meter was malfunctioning.

c. Mr. Lugo then discussed the North Fort Bend Water Authority's (the "NFBWA") Larry's Toolbox and the Water Smart Programs, which provides incentives to users for water conservation.

Upon motion by Director Comeaux, seconded by Director Berckenhoff, after full discussion and with all Directors present voting aye, the Board authorized the Operator to submit an application to the NFBWA for Larry's Toolbox and the Water Smart Programs.

Next, the operators also reported sixteen (16) delinquent accounts scheduled for termination due to non-payment of water and sewer bills. No members of the public wished to comment on termination of water for non-payment of the water and sewer bills. Discussion ensued.

Upon motion by Director Berckenhoff, seconded by Director Davis, after full discussion and with all Directors present voting aye, the Board 1) approved the Operations Report; and 2) authorized the termination of service to sixteen (16) delinquent accounts pursuant to the District's Rate Order.

6. Engineer's Report. Mr. Strange presented the Engineer's Report, a copy of which is attached hereto as Exhibit "D".

a. Mr. Young reported that one bid was received for the Wastewater Treatment Plant Rehabilitation ("WWTP Rehab") Project in the amount of \$725,000 from SiteCon Services, Inc., a copy of which is attached hereto as Exhibit "D-1". Mr. Young recommended that the Board accept and award the bid to SiteCon Services, Inc.

Upon motion by Director Berckenhoff, seconded by Director Murray, after full discussion and with all Directors present voting aye, the Board accepted Mr. Young's recommendation and awarded the bid to SiteCon Services, Inc. in the amount of \$725,000 for the WWTP Rehab Project.

b. Next, Mr. Perez updated the Board on the status of his development.

c. Mr. Strange reviewed his written report and updated the Board on the current engineering activities in the District. He also responded to questions from the Board.

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

7. City of Katy Emergency Services Monthly Stat Report. The Board reviewed the Stat Report, a copy of which is attached hereto as Exhibit "F". No action was taken.

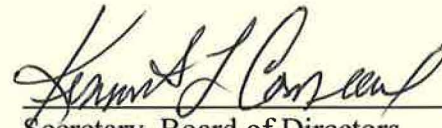
8. The Board then considered attendance at the Association of Water Board Directors – Texas (the "AWBD") Summer Conference to be held June 23-25, 2022, in Fort Worth, Texas.

Upon motion by Director Berckenhoff, seconded by Director Murray, after full discussion and with all Directors present voting aye, the Board authorized the Directors' attendance at the AWBD Summer Conference.

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

SIGNED, PASSED and APPROVED this 16th day of March, 2022.




Secretary, Board of Directors

EXHIBITS:

- A - Bookkeeper's Report
- B - Tax Assessor/Collector's Report
- B-1- Delinquent Tax Attorney Report
- B-2- Order Determining Ad Valorem Tax Exemption
- B-3- Resolution Authorizing Petition Challenging Appraisal Records
- B-4- Resolution Implementing Penalty on 2021 Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Taxes
- C - Operations Report
- D - Engineer's Report
- D-1- WWTP Rehab Bid
- F - City of Katy Emergency Services Monthly Stat Report