

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 37

MINUTES OF MEETING OF BOARD OF DIRECTORS

JULY 19, 2023

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, July 19, 2023, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code. The roll was called, the members of the Board, to-wit:

Larry W. Davis	President
Kenneth L. Comeaux	Vice President
Greg Murray	Secretary
Stephen Berckenhoff	Assistant Secretary
Jeff Gilliland	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; Lucian Landreville of Equi-Tax, Inc. (the "Tax Assessor/Collector" or "Equi-Tax"), tax assessor/collector for the District; Clay Brandenburg and Randy Davila of Inframark (the "Operator" or "Inframark"), operator for the District; Jon Strange P.E. of JNS Engineers, engineer for the District ("Engineer"); Allen Perez with the Westheimer Parkway Project ("Developer"); Ben Jones; Nino Corbett, Developer, Dane Turner of Best Trash and Joseph "Will" 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.** Mr. Ben Jones commended the District's Engineer and Operator for proper handling of the televising of lines and restoration of the landscaping in his backyard.

2. **Approval of Minutes.** The Board next considered approval of the regular meeting minutes of June 21, 2023, 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 regular meeting minutes of June 21, 2023 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". Ms. Shelnutt reviewed the written report and responded to questions. Discussion ensued.

Ms. Shelnutt recommended closing Cadence Bank Savings Account in the amount of \$246,694.21, transferring those funds to Certificate of Deposit with Third Coast. She also recommended renewing the Veritex CD that expires on August 5th for another six (6) months.

Upon motion by Director Gilliland, seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board approved 1) Closing the Cadence Bank Savings Account in the amount of \$246,694.21, 2) Transferring the funds from Cadence Bank for a Certificate of Deposit with Third Coast; 3) Renewing the Veritex CD for another six (6) months; 4) approved the Bookkeeper's Report and Investment Report, as presented and 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. Landreville, a copy of which is attached hereto as Exhibit "B".

a. Mr. Landreville reviewed with the Board the Tax Assessor/Collector's Report. Mr. Landreville also responded to questions from the Board. He reported that 98.7% of the 2022 taxes had been collected as of June 30, 2023.

Upon motion by Director Gilliland, seconded by Director Murray, after full discussion and with all Directors present voting aye, the Board 1) approved the Tax Assessor/Collector's Report, as presented; and 2) authorized payment of check number 2423 from the Tax Account.

b. Delinquent Tax Collection Report, prepared by The Thornhill Law Firm, P.C., a copy of which is attached hereto as Exhibit "B-1." The Board reviewed the report. No action was needed at this time.

Upon motion by Director Gilliland, seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board accepted the Delinquent Tax Collection Report.

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

a. Mr. Davila and Mr. Brandenburg next reviewed the current operations in the District with the Board and answered questions. Mr. Brandenburg also reported nine (9) 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 Berkenhoff, seconded by Director Gilliland, after full discussion and with all Directors present voting aye, the Board approved the Operations Report; and 2) authorized termination of service to nine (9) 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. Strange reviewed the Engineer's Report with the Board and responded to questions.

b. Update on service request by Developers, if any including annexation requests.

Mr. Strange updated the Board regarding the 6 acre Sanjay Property on Westheimer Parkway requesting water and wastewater capacity. This item was tabled at this time.

Mr. Strange updated the Board regarding KMK Development. He stated that JNS has completed the drainage study and recommends the approval for KMK Development to outfall into the District Ditch.

Next, Mr. Strange discussed with the Board Lucky Star City Corp.'s request for capacity of water and waste plant expansions. This item was tabled at this time.

Upon motion by Director Comeaux, seconded by Director Berckenhoff, after full discussion and with all Directors present voting aye, the Board 1) Tabled Sanjay's request for water and wastewater capacity; 2) approved KMK Development to outfall into the District's Ditch; and 3) Tabled Lucky Star City Corp.'s request for capacity of water and waste plant expansions; and 4) approved the Engineer's Report.

c. Update on Engineering/Construction projects, if any. See Engineer's Report.

d. Update and possible action on other projects within the District. See Engineer's Report.

e. Review of Values of the District. Mr. Strange has prepared the Engineer Report of Values, a copy of which is attached to the Engineer's Report.

7. New Business.

a. Best Trash CPI Increase. Best Trash gave notice to the District regarding the annual CPI adjustment required by the garbage services contract. No action taken at this time.

b. Legislative Update. Director Murray spoke to the Board regarding the AWBD seminars and those topics that might affect the District.

c. Annual Review of Emergency Water Supply Agreement with the City of Katy. No action was deemed necessary at this time.

d. Elect officers. The Board next considered electing officers for the Board and the Directors' positions will be as follows:

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

Upon motion by Director Berckenhoff, seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board approved the Election of Officers.

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

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

SIGNED, PASSED and APPROVED this 16th day of August, 2023.




Secretary, Board of Directors

EXHIBITS:

- A - Bookkeeper's Report
- B - Tax Assessor-Collector Report
- B-1- Delinquent Tax Report
- C - Operations Report
- D - Engineer's Report
- E - City of Katy Stat Report