

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

**MINUTES OF MEETING OF BOARD OF DIRECTORS**

**December 17, 2014**

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, December 17, 2014, 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:

Stephen Berckenhoff	President
David A. Carp	Vice President
Rudolph Ammer	Secretary
Larry W. Davis	Treasurer/Investment Officer
Kenneth L. Comeaux	Assistant Secretary

All members of the Board were present, except Director Carp, who arrived after the meeting had started, thus constituting a quorum. Also attending all or portions of the meeting were: Tracey Scott of Myrtle Cruz, Inc. (the "Bookkeeper" or "MCI"), bookkeeper for the District; Ken Byrd of Equi-Tax, Inc. (the "Tax Assessor/Collector" or "Equi-Tax"), tax assessor/collector for the District; Joe Williams of ST (the "Operator" or "ST"), operator for the District; Allen Perez and David Monk with the Westheimer Parkway Project ("Developer"); 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 whether there was any public comment concerning the business of the District. There being no public comments, the President directed the Board to proceed with the agenda.

2. Approval of Minutes. The Board then considered approval of the November 19, 2014 regular meeting minutes. Upon motion by Director Davis, seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board approved such minutes, as presented.

3. Bookkeeper's Report. Ms. Scott presented the Bookkeeper's Report, a copy of which is attached hereto as Exhibit "A".

a. Ms. Scott first reviewed the written report and responded to questions from the Board.

b. Next, Ms. Scott reviewed the current and year-to-date revenue and expenditures against the District's budget for the fiscal year ending August 31, 2015.

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

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

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

b. The Tax Assessor/Collector's Report reflected that 5.9% of the 2014 taxes have been collected as of November 30, 2014.

Upon motion by Director Carp, seconded by Director Davis, after full discussion and with all Directors present voting aye, the Board approved the Tax Assessor/Collector's Report, as presented.

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

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

b. Mr. Williams reported twenty-five (25) delinquent accounts delinquent accounts for non-payment of water and sewer bills.

Upon motion by Director Davis seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board approved the Operations Report, as presented including, authorizing termination of service to twenty-five (25) delinquent accounts pursuant to the District's Rate Order, and to authorize turning over three (3) accounts to collections.

6. Engineer's Report. Mr. Leyendecker discussed with the Board and Messrs. Perez and Monk regarding the ability to provide water, sanitary sewer capacity and drainage capacity for the proposed commercial development. A copy of the letter is attached hereto as Exhibit "D", which provides the cost breakdown for District services. Mr. Leyendecker requested a flow rate for drainage, which will allow him to calculate such cost. Next, Mr. Leyendecker reported on the several projects in the works around the mall. Upon motion by Director Comeaux seconded by Director Ammer, 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 the Katy Mills Berm. Director Ammer updated the Board regarding his most recent conversation with Don Massey. Mr. Massey again stated that replacement trees would be planted, but as yet, there have been no trees planted. Director Ammer also reported that he attended a meeting that involved a tour of management Districts and that a Management District is actively in the works for the Katy Mills Mall area.

b. Status of Relocating Street Light(s) – Pin Oak Village and Mills Pointe.  
There was no update at this time.

c. Status of Proposed Office Development at Westheimer Parkway.  
Discussed under the Engineer's Report.

8. New Business.

a. Annual review of Rate Order. Tabled to meeting of January 17, 2015.

b. Review 2015 Annual Agenda. Mr. Petrov distributed the 2015 Annual Agenda for the Board's review, a copy of which is attached as Exhibit "E." Upon motion by Director Davis seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board approved the 2015 Annual Agenda.

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

SIGNED, PASSED and APPROVED this 21st day of January, 2015.



  
Secretary, Board of Directors

EXHIBITS:

- A - Bookkeeper's Report
- B - Tax Assessor/Collector's Report
- C - Operations Report
- D - Leyendecker Letter dated December 17, 2014
- E - 2015 Annual Agenda