

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 37

MINUTES OF MEETING OF BOARD OF DIRECTORS

JULY 18, 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, July 18, 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, with the exception of Director Comeaux, thus constituting a quorum. Also attending all or portions of the meeting were: Kim Shelnut 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"); Chris Thornhill of The Thornhill Law Firm (the "DTA" or "Thornhill") delinquent tax attorney for the District; Alan P. Petrov of Johnson Petrov LLP (the "Attorney" or "JP"), attorneys for the District; Brian Matthey, Pin Oak HOA; and Todd Carrico, a resident of the District.

The Vice 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. Matthey commented on drainage as well as land the HOA has for sale. Mr. Carrico asked about the status of the letter that he and JD Schuck sent as well as the status of construction by the City of Katy.

2. Approval of Minutes. The Board then considered approval of the June 20, 2018 regular meeting minutes. Upon motion by Director Carp, seconded by Director Davis, 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. Shelnut reviewed with the Board the Bookkeeper's Report and Investment Report, copies of which are attached hereto as Exhibit "A".

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

b. Ms. Shelnut then reviewed the current and year-to-date revenue and expenditures against the District's budget for the fiscal year ending August 31, 2018.

Upon motion by Director Carp, 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 1223 through 1250 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 "B".

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

b. The Tax Assessor/Collector's Report reflected 97.7% of the 2017 taxes had been collected as of June 30, 2018.

Upon motion by Director Ammer, 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 2178 thru 2186 from the Tax Account.

c. Next, Chris Thornhill informed the Board that he formed his own firm, The Thornhill Law Firm and is no longer with Mastriani Law Firm. He presented and reviewed a new Delinquent Tax Attorney contract (the "Contract") along with Form 1295, a copy of which is attached hereto as Exhibit "C". Discussion ensued. Upon motion by Director Carp seconded by Director Davis, after full discussion and with all Directors present voting aye, the Board approved the Contract with Thornhill Law Firm and authorized Johnson Petrov to terminate the contract with the Mastriani Law Firm.

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

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

Upon motion by Director Davis 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 four (4) delinquent accounts pursuant to the District's Rate Order.

6. Engineering Report. Mr. Leyendecker was not present at tonight's Board meeting.

7. New Business.

a. Discuss Insurance Renewal. Pending review of insurance renewal proposal.

b. Trees in Westheimer Esplanade. Director Ammer stated that the District had previously entered into an agreement with the Pin Oak HOA that provided for the District to pay for the installation of trees in the Westheimer Esplanade and the HOA to water and maintain the trees. He noted that several trees were now showing signs of stress, probably from a lack of water. Mr. Matthey discussed the HOA's maintenance of the trees. He also explained the correct that had been made to the irrigation system as well as the watering schedule. He further stated

that the HOA will have their arborist come out to assess the trees. The Board tabled this until the September Board meeting.

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 15TH day of August, 2018.

[DISTRICT SEAL]


Secretary, Board of Directors

EXHIBITS:

- A - Bookkeeper's Report
- B - Tax Assessor/Collector's Report
- C - Delinquent Tax Attorney contract
- D - Operations Report

