

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 37

MINUTES OF MEETING OF BOARD OF DIRECTORS

OCTOBER 16, 2019

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, October 16, 2019, 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
Rudy Ammer	Secretary/Investment Officer/Co-Tax Compliance Officer
Larry W. Davis	Treasurer
Kenneth L. Comeaux	Assistant Secretary/Co-Tax Compliance Officer

All members of the Board were present, 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; David Ferrier 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., engineer for the District; 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.

There being no public comment, the President directed the Board to proceed with the agenda.

2. Approval of Minutes. Next, the Board considered approval of the September 18, 2019 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 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 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, 2020.

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 1633 through 1656 from the Operating Account.

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

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

b. Mr. Ferrier next reported that 99.4% of the 2018 taxes had been collected as of September 30, 2019.

c. Mr. Thornhill was not present therefore, Mr. Petrov reviewed the Delinquent Monthly Report for October with the Board and requesting the Board authorize termination to delinquent accounts for non-payment of taxes.

Upon motion by Director Comeaux, 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 and authorized payment of check numbers 2241 thru 2242 from the Tax Account and authorized termination letters be sent out on the delinquent accounts.

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

a. Mr. Ring reviewed the current operations in the District with the Board and answered questions. He discussed the issues related to the problem with Water Well No. 1 and reported that the District is at Stage 2 Water Rationing and on the interconnect with the City of Katy.

b. Mr. Ring also reported there were seven (7) 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.

Upon motion by Director Ammer, seconded by Director Comeaux, after full discussion and with all Directors present voting aye, the Board approved the approved 1) the Operations Report; and 2) authorized termination of service to seven (7) delinquent accounts pursuant to the District's Rate Order.

6. Engineering Report.

a. Mr. Leyendecker discussed the water well repairs and recommended the Board proceed with Weisinger's proposal of up to \$240,000 for emergency repairs contingent on the Engineer's and Operator's concurrence of need.

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 and the emergency repairs to the District's water well in an amount not to exceed \$240,000.

7. New Business.

a. Amended Order Designating Additional District Meeting Place Outside Boundaries of the District, a copy of which is attached as Exhibit "D".

Mr. Petrov provided an Amended Order Designating Additional District Meeting Place Outside the Boundaries of the District by adding the City of Katy, 901 Avenue C, Katy, Texas 77493, as a meeting place outside the boundaries of the District.

Upon motion by Director Carp, seconded by Director Comeaux, upon full discussion and with all Directors present voting aye, the Board adopted the Amended Order Designating Additional District Meeting Place Outside the Boundaries of the District.

8.

a. Interlocal Agreement with Fort Bend County for Installation, Operation and Maintenance of Solar Power Speed Awareness Signs. The Board reviewed and discussed the Interlocal Agreement for the solar powered speed awareness signs in the District, a copy of which is attached as Exhibit "E ". Director Ammer made a motion to modify the agreement with Fort Bend County for the Installation, Operation and Maintenance of Solar Power Speed Awareness Signs if Fort Bend County to pick-up the costs for installation, operation and maintenance of same. The motion was seconded by Director Comeaux upon full discussion and with all Directors present voting aye, the Board approved the Interlocal Agreement with Fort Bend County for Installation, Operation and Maintenance of Solar Power Speed Awareness Signs if Fort Bend County to pick-up the costs for installation, operation and maintenance of same.

b. Update on Fire Protection Services with the City of Katy (the "City"). Discussion regarding an upcoming meeting with the City ensued. No action was taken.

c. Status of maintenance of Katy Mills berm, drainage facilities and Katy Mills Management District and discussions with the City of Katy.

No update at this time.

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

SIGNED, PASSED and APPROVED this 20th day of November 2019.

[DISTRICT SEAL]



R C Channer

Secretary, Board of Directors

EXHIBITS:

- A - Bookkeeper's Report
- B - Tax Assessor/Collector's Report
- C - Operations Report
- D - Order Designating Additional District Meeting Place Outside Boundaries of the District
- E - Interlocal Agreement with Fort Bend County - Solar Power Speed Awareness Signs