

MINUTES OF REGULAR MEETING
OF THE
BOARD OF DIRECTORS

February 17, 2016

THE STATE OF TEXAS §

COUNTY OF FORT BEND §

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 185 §

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 185 (the "District") met in regular session, open to the public, at 12:00 p.m., Wednesday, February 17, 2016, at 9 Greenway Plaza, Suite 1100, Houston, Texas 77046, a designated meeting place outside the boundaries of the District; whereupon, the roll was called of the members of the Board of Directors, to-wit:

Allen Thomas	President
Scott Donahue	Vice President
Wesley Noonan	Secretary
Al Menconi	Assistant Secretary
Terrell W. Berger	Assistant Secretary

All members of the Board of Directors were present, except Director Menconi thus constituting a quorum.

Also present at the meeting were David Beyer with StormWater Solutions; Adam Cohen of Robert W. Baird & Co, Financial Advisor for the District; Layne Yeager with Environmental Allies; Amy Symmank with Myrtle Cruz, Inc., the District's Bookkeeper; Breah Campbell, Tracy Butcher and Bart Downum, with Environmental Development Partners, L.L.C., ("EDP"), Operator for the District; Kristen Scott with Bob Leared Interests ("BLI"), the District's Tax Assessor/Collector ("TAC"); Nick Bailey of Brown & Gay Engineers, Inc., the District's Engineer ("BGE"); John Cannon, Attorney and Tiffany Marquez, Paralegal with Coats, Rose, Yale, Ryman & Lee, P.C. ("Coats Rose"), the District's legal counsel.

Whereupon, the meeting was called to order. A copy of the notice of the meeting is attached hereto as Exhibit "A".

COMMENTS FROM THE PUBLIC

No comments were provided by the public.

APPROVE MINUTES OF MEETINGS OF JANUARY 20, 2016

Proposed minutes of the meeting held on January 20, 2016 previously distributed to the Board, were presented for consideration and approval. Upon a motion duly made by Director Berger and seconded by Director Thomas, the Board voted unanimously to approve the minutes of the regular meeting of January 20, 2016.

TAX ASSESSOR/ COLLECTOR REPORT

The Board recognized Ms. Scott who delivered the tax collection report, a copy of which is attached hereto as Exhibit "B". She noted that the District is 96.541% collected on its 2015 taxes. Ms. Scott reported to the Board that the Hernandez account had previously been approved for an installment agreement for delinquent taxes and no recent payments had been made. She added that since the District's last meeting she has made attempts to contact said resident. Ms. Scott requested the Board authorize termination of water service. After consideration, upon a motion brought by Director Noonan, seconded by Director Thomas, the Board unanimously authorized the operator to terminate water for Ms. Hernandez.

Adopt Resolution Regarding Tax Exemptions for 2016

The Board next considered authorizing tax-exemptions for 2016. Mr. Cannon noted that in the past the Board had granted a \$10,000 tax exemption to those residents who are disabled or over the age of 65.

Approve Resolution Implementing 20% Penalty on 2015 delinquent taxes

Mr. Cannon discussed with the Board the District's authority to grant tax exemptions and discussed the District's authority to apply a 20% penalty to delinquent tax accounts. He then advised the Board that the District is authorized as a taxing authority to engage a delinquent tax attorney to collect delinquent taxes on behalf of the District.

Mr. Cannon said that delinquent accounts become subject to collection by the delinquent tax attorney as of April 1 for personal property and July 1 for real property. Mr. Cannon further noted that the 20% penalty is applied to delinquent accounts to offset the expenses incurred by the District for delinquent tax collection.

After review and upon a motion by Director Noonan, second by Director Berger and the question being put to the Board, the Board voted unanimously to (i) grant a \$10,000 exemption to residents 65 years of age and older or disabled for 2016, (ii) adopt the Resolution Implementing a 20% Penalty for 2015 Delinquent Taxes, and to hire Coats|Rose to collect delinquent taxes for the District, and (iii) approve the tax collector's report.

BOOKKEEPER'S REPORT

The Board recognized Ms. Symmank who reviewed the bookkeeper's report, and payment of the bills listed therein. She noted that check number 1043 referenced on page 2 of her report will be removed on her next report and be paid out of operating.

Consider amending District Budget

Ms. Symmank presented and outlined the proposed amended budget on page 8 of her report and noted that the items that were bold were the items in need of approval for amendment. She added that she will include Environmental Allies' proposal related to additional mowings on the District's retention ponds.

After review, upon a motion duly made by Director Noonan, and seconded by Director Berger, the Board voted unanimously to (i) approve the bookkeeper's report; and (ii) approve the amended budget. A copy of the bookkeeper's report is attached hereto as Exhibit "C".

OPERATOR'S REPORT

The Board next recognized Ms. Campbell, who reviewed the operator's report which includes the utility billing summary, accountability report, subsidence district report, North Fort Bend Water Authority ("NFBWA") report and the 30 day delinquent list for January 2016, a copy of which is attached hereto as Exhibit "D". Ms. Campbell reported that there are forty-eight (48) delinquent accounts to consider for disconnect.

Substantial System Charges, Repairs and Maintenance:

- Distribution - Installed residential taps and meters; 4 location in the amount of \$2,000.00.
- Distribution – installed water district meter for lift station #4, in the amount of \$1,330.17.
- Distribution – Fire Hydrant painting in the amount of \$3,207.25

Water Plant Auto Dialer Install:

- Following last month's meeting, EDP evaluated the existing alarm detection system at the water plant with NTS and determined proposed additions that will reduce the potential for unacknowledged alarm conditions. A redundant auto dialer can be installed that will monitor proposed new alarm circuits and reductant alarm circuits. EDP requesting authorization to have and eight (8) channel verbatim alarm dialer installed at the water plant for a quoted cost of \$14,145.00.

Alarm Dialer Log Reports:

- EDP has implemented, effective February, the verifying of each alarm system at all facilities. EDP will include the report each month, a draft of which is included in the operator's report.

Texas Water Development Board Water Use Survey:

- EDP has completed Annual Water Use Survey for the TWDB and the NFBWA, (included in the operator's report).

Write-Off List:

- The write off list is included in the operator's report and include the months of April 2015 through September 2015.

Ms. Campbell presented and outlined a draft of the "Higher than Average Water Use" letter that the operator will be sending out to the District's top ten (10) highest water users, a copy of which is attached hereto as Exhibit "E". The Board inquired about the resident at the top of the list and requested the operator contact said resident and to be sure there is not a leak.

After discussion, upon a motion, brought by Director Noonan, and seconded by Director Donahue, the Board approved (i) the operator's report, (ii) the draft of the "Higher than Average Water Use" letter; (iii) the write off list; (iv) termination of delinquent accounts; and (v) the 8 channel verbatim alarm dialer installed at the water plant for a cost of \$14,145.00.

HEAR ENVIRONMENTAL ALLIES REPORT AND CONSIDER ACTING THEREON

The Board recognized Mr. Yeager who presented and reported on maintenance of the detention pond in the District. Mr. Yeager's report is attached hereto as Exhibit "F".

Discuss maintenance of retention pond

Mr. Yeager presented and outlined his proposal for maintenance of the District's retention ponds. He noted that the total amount referenced includes all areas that Environmental Allies maintains will be a total of \$30,679.61, a copy of which is attached hereto as Exhibit "G". After review, upon a motion brought by Director Noonan, seconded by Director Donahue, the Board unanimously approved said proposal as presented.

ENGINEER'S REPORT

The Board then recognized Mr. Bailey who reviewed the monthly Engineer's Report, a copy of which is attached hereto as Exhibit "H".

Review MS4 permit proposal from Storm Water Solutions ("SWS") and consider acting thereon

- Approve Storm Water Management Plan ("SWMP") and Notice of Intent ("NOI") as prepared by Storm Water Solutions, LP.

Mr. Beyer updated the Board on the District's SWMP. He distributed and reviewed the Year 2 annual report for the SWMP, including a summary of the Year 2 and Year 3 training and goals under the SWMP, copies of which are attached as Exhibit "I". He presented a utility bill insert regarding proper lawn care to prevent unnecessary stormwater pollution, a copy of which is also attached. Mr. Beyer began his training session with the Board and other consultants. The topic of the year 3 training was grass clippings and the storm sewer system. Mr. Beyer explained the importance of keeping the grass clippings out of the storm sewer system, as they decompose and add to the bacteria impairment. Mr. Beyer then continued with the training, thoroughly

explaining the sources of bacteria, outlining the program elements of the SWMP that deal with these sources. Following review and discussion, Director Noonan moved to approve the SWMP, the Year 2 annual SWMP report, the Year 3 goals, and the utility bill insert for including in the water and sewer bills. Director Donahue seconded the motion, which carried unanimously.

Authorize engineer to proceed with the design of District facilities

- No action

Approve plans and specifications of District facilities

- No action.

Authorize engineer to advertise for bids for District projects

- No action.

Approval of report, pay estimates, and change orders for construction projects in progress in the District

- **Lift Station to Serve 21 acre Tract (Lift Station No. 3)**
Contractor: B-5 Construction Company, Inc.
Contract Amount: \$339,103.00
Construction is substantially complete. No pay estimate this month.
- **Gaston/Falcon Landing Retail – Water, Sanitary and Storm Sewer**
Contractor: Principal Services, Ltd.
Contract Amount: \$783,996.60
Construction has begun. No pay estimate this month.
- **Gaston/Falcon Landing Retail – Detention**
Contractor: 5758 Construction, LP
Contract Amount \$1,636,999.00
Action Item: Pay Estimate No. 3 in the amount of \$290,305.80.
- **Recoat Interior of 15,000 – Gallon Hydropneumatic Tank**
Contractor: F&L Coating
Proposal Amount: \$9,387.00
Contractor should begin the work this week.

Authorize construction contracts and related items

- No action.

Discuss street lighting on Falcon Landing Boulevard

- The Engineer has engaged in preliminary discussions with CenterPoint Energy regarding the placement of streetlights along Falcon Landing Boulevard between Gaston and the bayou.
 - The Board requested the Engineer start creating plans for lighting in the Greenbusch area.
 - The Board also requested the Engineer investigate lighting options to minimize light pollution.
 - The Board discussed landscaping options in the area as well and requested Mr. Yeager investigate the matter further.

After review, upon a motion brought by Director Noonan, seconded by Director Donahue, the Board approved the Engineer's report.

DEVELOPER'S REPORT

No report was given.

ATTORNEY'S REPORT

Discuss proposed agreement with homeowner's association ("HOA") and requests from homeowners association regarding maintenance and consider acting thereon

No report was given.

Consider approval of interconnect agreement with Harris Fort Bend County Municipal Utility District No. 5

This matter was deferred.

Consider approving Larry's Toolbox Agreement

Ms. Marquez reported that the District is currently enrolled in the program, however, the District awaiting for an agreement from Larry's Toolbox.

Review Water Logic proposal and consider acting thereon

Director Noonan stated that he will be ready to report on this matter at the District's next meeting. This matter was deferred.

Discuss Constable contract

Mr. Noonan reported that he has not heard from the other entity who may have been interested in joining the District's constable contract. No action was taken.

Ms. Marquez presented the Constable report for the Board's review, a copy of which is attached hereto as Exhibit "J". Director Noonan stated that the constable schedule seem to be a standard 8 a.m. to 5 p.m. and requested Ms. Marquez contact the Constable to vary the schedule daily. Director Donahue requested that in addition to the new varied schedules should include hours before and after school.

Discuss posting constable patrol signs in the District

Director Noonan presented a standard constable sign that the District could consider using and post at all the entrances and exits of the District. Ms. Campbell stated that she could coordinate with Constable related the use of the logo and will create and install a maximum of seven (7) signs.

There being no other business to come before the Board, the meeting was adjourned.

PASSED, APPROVED AND ADOPTED this 16th day of March, 2016.

(DISTRICT SEAL)




Secretary, Board of Directors