

MINUTES OF REGULAR MEETING
OF THE
BOARD OF DIRECTORS

March 16, 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, March 16, 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 Directors Thomas and Donahue thus constituting a quorum.

Also present at the meeting were 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 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.

HEAR REQUEST FROM SUSAN CARTER TO ACQUIRE OUTDOOR EXERCISE EQUIPMENT

Mr. Cannon stated that he had received a call from a resident, Susan Carter, who believed that the exercise equipment caters to only men and not women. The Board discussed the matter and Director Noonan stated that signs providing details of how to use the exercise equipment properly should also be considered moving forward. No action was taken.

APPROVE MINUTES OF MEETINGS OF FEBRUARY 17, 2016

Proposed minutes of the meeting held on February 17, 2016 previously distributed to the Board, were presented for consideration and approval. Upon a motion duly made by Director Berger and seconded by Director Noonan, the Board voted unanimously to approve the minutes of the regular meeting of February 17, 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. Director Noonan that the director lots should be deeded back to the developer, Centex Homes.

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 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. After review, upon a motion duly made by Director Menconi, and seconded by Director Berger, the Board voted unanimously approved the bookkeeper's report. 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 February 2016, a copy of which is attached hereto as Exhibit "D". Ms. Campbell reported that there are fifty-two (52) delinquent accounts to consider for disconnect.

Substantial System Charges, Repairs and Maintenance:

- Distribution - Installed residential taps and meters; 2 location in the amount of \$1,000.00.

Water Plant Auto Dialer Install:

- At the District's February meeting EDP was authorized to have an 8 channel verbatim alarm dialer installed at the water plant for a quoted cost of \$14,145.00 This is in process.

District Signage:

- EDP was requested at the February meeting to have Constable, Precinct 3 signage made and installed. This is in process.

Cinco MUD- interconnect pay back:

- EDP has coordinated with Cinco MUD 1 operator to start paying back the water from the period of usage from July 13th to August 20th in the amount of 9,782,000. The interconnect was opened March 14, 2016 at 10:30 a.m. to begin the pay back process.

Homeland Security Contact Form:

- EDP has completed the Homeland Security Contact Form and submitted a copy for the TCEQ.

Annual Report on Identity Theft Prevention Program "Red Flag Rule":

- EDP has not sited any instances of identity theft and recommended that the District not make any changes to the program.

Water Conservation Plan Annual Report:

- EDP has completed the Texas Water Development Board Water Conservation Plan Annual Report. A copy of the report has been sent to your attorney.

After discussion, upon a motion, brought by Director Noonan, and seconded by Director Donahue, the Board approved (i) the operator's report, and (ii) termination of delinquent accounts.

Consider amending District Rate Order

Mr. Cannon stated that the TCEQ limit for the maximum content of lead in certain pipes was recently lowered from 8% to .25%. He recommended that the District's Rate Order be amended to reflect the new requirement. After consideration, upon a motion brought by Director Menconi, seconded by Director Noonan, the Board unanimously amended the District's Rate Order to include the lead requirement of .25%.

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 "E".

Discuss cleanup of Woodlake Estates HOA drainage channel

Mr. Yeager presented and outlined a proposal for the cleanup of the Woodlake Estate HOA drainage channel, a copy of which is attached hereto as Exhibit "F". Mr. Cannon stated that he had spoken with the Woodlake Estate HOA president who has decided to remove the brush from the drainage channel without the District's assistance. No action was taken.

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 "G".

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

- No action

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
Action Item: Pay Estimate No. 1 in the amount of \$521,474.95, and Pay Estimate No. 2 in the amount of \$180,866.42.
- **Gaston/Falcon Landing Retail – Detention**
Contractor: 5758 Construction, LP
Contract Amount \$1,636,999.00

Action Item: Pay Estimate No. 4 in the amount of \$653,252.74.

- **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.

Consider approving Order Authorizing Application for Approval by TCEQ of Project and Issuance of Bonds; Consider approving Application for Approval of TCEQ of Project and Issuance of Bonds

- Mr. Bailey stated that a copy of the Bond Application Report for review and approval.

Consider authorizing any other action necessary to obtain approval of District's bond application

- Mr. Bailey stated that additional bond action items may arise between the District's meetings and requested approval to move forward with any action necessary.

Consider approval of Application to TCEQ for use of Surplus Funds

- Mr. Bailey presented a draft of Summary of Costs for the surplus funds release request.

After review, upon a motion brought by Director Noonan, seconded by Director Berger, the Board approved the Engineer's report, approved the Order Authorizing Application, the Application for Approval, and the Application requesting use of Surplus Funds and authorized any necessary action needed to submit the District's bond application.

DEVELOPER'S REPORT

No report was given.

ATTORNEY'S REPORT

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

Mr. Cannon stated that the District has received its agreement with Larry's Toolbox, a copy of which is attached here to as Exhibit "H". He reminded the Board that had been approved at a previous meeting, subject to his review. Mr. Cannon requested the Board executed said Agreement.

Review Water Logic proposal and consider acting thereon

Mr. Cannon believes that the proposed contract with Water Logic should count as both the "Irrigation Evaluation" and "Water Budget" components required for points under the Larry's Toolbox agreement. Mr. Cannon recommended the Board approve the \$34,000 Water Logic proposal provided that the District receive the above-described Larry's Toolbox credit and funding for a portion of such amount as promised by the NFBWA. A copy of the Water Logic proposal is attached hereto as Exhibit "I". After review, upon a motion brought by Director Noonan, seconded by Director Menconi, the Board unanimously approved Water Logic's proposal in the amount of \$34,000, subject to receiving Larry's Toolbox credit and funding from the NFBWA.

Discuss street lighting on Falcon Landing Boulevard

This matter was deferred.

Mr. Cannon drew the Board's attention to the District's constable report attached hereto as Exhibit "J", and a copy of the District's WCA call log attached hereto as Exhibit "K".

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

PASSED, APPROVED AND ADOPTED this 20th day of April, 2016.




Secretary, Board of Directors