

MINUTES OF REGULAR MEETING
OF THE
BOARD OF DIRECTORS

April 17, 2019

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, April 17, 2019, at 9 Greenway Plaza, Suite 1000, 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, thus constituting a quorum.

Also present at the meeting Xiaosong Hou, a member of the public; David Wood with Robert W. Baird & Co., the District's Financial Advisor; Kevin Atkinson with Texas Pride Disposal ("Texas Pride"); Amy Symmank with Myrtle Cruz, Inc., the District's Bookkeeper; Nick Bailey of Brown & Gay Engineers, Inc., the District's Engineer ("BGE"); Travis Benes with Environmental Allies ("Environmental"); Breah Campbell and Bart Dunham 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"); John Cannon, Attorney, and Monica Roberts-Jenkins, Paralegal with Coats|Rose, 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

The Board recognized Mr. Hou who wanted clarification on penalties and taxes in the District. The Board discussed Mr. Hou's situation and Mr. Cannon informed him that legally, the District could not waive penalties and interest on his account.

HEAR TEXAS PRIDE DISPOSAL

The Board recognized Mr. Atkins who presented a garbage collection proposal for the Board's review and consideration, a copy of which is attached hereto as Exhibit "B".

After review and discussion, upon a motion brought by Director Noonan, seconded by Director Menconi, the Board unanimously voted to (i) terminate service with WCA for garbage collection services, and (ii) approve the garbage collection proposal with Texas Pride Disposal, subject to review and approval of Texas Pride Disposal's contract by Mr. Cannon.

APPROVE MINUTES OF MEETING OF MARCH 20, 2019

The proposed minutes of the meeting held on March 20, 2019 previously distributed to the Board, were presented for consideration and approval. Upon a motion duly made by Director Noonan and seconded by Director Berger, the Board voted unanimously to approve the minutes of the meeting of March 20, 2019.

FINANCIAL ADVISOR'S REPORT

The Board recognized Mr. Wood who delivered the Financial Advisor's report.

Authorize Financial Advisor to proceed to prepare Notice of Sale and Preliminary Official Statement in connection with proposed 2019 Refunding Bond Issue

Mr. Wood proposed issuing bonds to refund outstanding debt of the District (the "Refunding Bonds"). Mr. Wood estimated that the District could realize a present value savings of approximately 13.3% by issuing the Refunding Bonds. A copy of the potential refunding proposal is attached hereto as Exhibit "C". Mr. Wood requested the Board authorize the Financial Advisor to prepare the Notice of Sale ("NOS") and Preliminary Official Statement ("POS") for the District's proposed 2019 Refunding Bond Issue.

Engage Underwriter for proposed 2019 Refunding Bond Issue

The Board next considered engaging an underwriter to proceed with negotiated sale of proposed 2019 Refunding Bonds for the District. A copy of the underwriter rankings is attached hereto as Exhibit "D". Mr. Wood reviewed the selection of underwriters with the Board.

After review and discussion, upon a motion brought by Director Menconi, seconded by Director Noonan, the Board unanimously voted to (i) authorize the Financial Advisor to proceed to prepare NOS and POS in connection with proposed 2019 Refunding Bond Issue and (ii) engage Raymond James to proceed with negotiated sale of 2019 Refunding Bonds.

TAX ASSESSOR/ COLLECTOR REPORT

The Board recognized Ms. Scott who delivered the tax collection report, a copy of which is attached hereto as Exhibit "E". Director Noonan inquired about the District's difference in penalty and interest from 2018 and its current standing. Ms. Scott noted that she would follow up and provide the penalty and interest collections comparison to Director Noonan.

After review and upon a motion by Director Noonan, second by Director Menconi, the Board voted unanimously to approve the tax collector's report and the action items listed therein.

BOOKKEEPER'S REPORT

The Board recognized Ms. Symmank who reviewed the Bookkeeper's report, a copy of which is attached hereto as Exhibit "F". Ms. Symmank noted Pay Estimate No. 1-Final from Allgood Construction Company for Gaston Road 12-inch Water Line Relocation project is not included in the Bookkeeper's report.

Upon a motion brought by Director Noonan, seconded by Director Berger the Board unanimously voted to approve the Bookkeeper's report and payment of the bills.

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 April 2019, a copy of which is attached hereto as Exhibit "G". Ms. Campbell reported that there are nineteen (19) delinquent accounts to consider for disconnection.

Substantial System Repairs and Maintenance

- Installed two (2) commercial taps & meters for Villa Sport at a cost of \$57,000.00;
- Installed commercial tap & meter for Stableside Retail at a cost of \$5,000.00;
- Installed irrigation tap & meter for Falcon Landing Building at a cost of \$5,000.00;
- Installed irrigation tap & meter for Stableside Retail at a cost of \$2,000.00;
- Conducted annual fuel test for generator at water plant at a cost of \$1,358.25;
- Installed new plumbing for eye wash & shower at a cost of \$1,856.13
- Conducted annual fuel test for generator at waste water treatment plant at a cost of \$1,394.48;
- Replaced control board on generator at a cost of \$4,039.66.

Fire Hydrant Painting

- The Operator previously obtained authorization to paint the District's 95 fire hydrants. This project is in process.

Wastewater Treatment Plant Automatic Transfer Switch (“ATS”)

- The Operator approved the repair of the ATS control module. The estimated cost is \$3,950.00. The ATS eliminates manually transferring power in the event of a power outage. The repair has been made and is back online.

Late Fee Removal Request

- Customer requested the late fee be waived due to USPS delays.

Annual Identity Theft Prevention Program “Red Flag Rule”

- EDP has not cited any instances of identity theft and recommends the Board not make any changes to the program. A copy of which is included in the Operator’s report.

TCEQ Homeland Security Contract Form (WW)

- The TCEQ Home Security Contract form has been submitted. A copy of which is included in the Operator’s report.

CCR Provider Certificate of Delivery Drinking Water Quality Data

- The required certificate of delivery related to the Consumer Confidence Report has been sent to the TCEQ. A copy of which is included in the Operator’s report.

Consumer Confidence Report (“CCR”)

- Operator requested the Board’s consideration for electric delivery of water quality reports in lieu of mailing a copy to each customer. The option meets TCEQ and EPA regulations.

Service Agreement

- Operator requested an agenda item for next month’s meeting to present an amendment to the service agreement.

Delinquent Accounts and Service Terminations

- The Operator presented a list of customers that received a delinquent letter by mail and are subject to disconnection of service.

Ms. Campbell noted that she will coordinate any Larry Toolbox Water Conservation Program events in the District. She also presented the Larry Toolbox Water Conservation 2019 Program Guide for the Board’s review, a copy of which is attached hereto as Exhibit “H”. She also noted that they are currently preparing to review all internal controls to prepare for hurricane season.

After review, upon a motion brought by Director Noonan, seconded by Director Thomas, the Board unanimously voted to approve (i) the Operator’s report; (ii) the water termination cut off list; (iii) the Red Flags Policy; and (iv) electric delivery of water quality report to each customer in lieu of mailed copies. The Board did not approve the customer’s request to remove the late fee due to USPS delays.

HEAR ENVIRONMENTAL ALLIES REPORT AND CONSIDER ACTING THEREON

The Board recognized Mr. Benes who presented and reported on maintenance of the detention pond in the District, a copy of his report is attached hereto as Exhibit "I". 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 "J".

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

- Gaston Road 12" Water Line Relocation:
Contractor: Allgood Construction Co., Inc. ("Allgood")
Contract Amount: \$46,352.25
Pay Estimate No. 1 and Final in the amount of \$53,752.25 and Tolunay-Wong Engineers invoice in the amount of \$428.
- Wastewater Reuse- Distribution Lines:
Contractor: Reddico Construction Company, Inc. ("Reddico")
Contract Amount: \$359,224.10
Pay Estimate No. 3 in the amount of \$5,993.10 and Tolunay-Wong Engineers invoice in the amount of \$470.00.

Mr. Bailey noted that work has started on the project at wastewater reuse site. He anticipates work should be completed by late summer. Mr. Bailey also noted that he is working with Center Point Energy to resolve any issues with the lights at the intersection for the new car wash and will provide further updates.

Mr. Bailey next presented for the Board's consideration, a proposal relating to the Ground Storage Tank Replacement at the Water Plant. The proposal is for Engineering Services for replacement of two existing galvanized ground storage tanks. A copy of the proposal is attached hereto as Exhibit "K".

After review, upon a motion brought by Director Noonan, seconded by Director Berger, the Board unanimously voted to (i) approve the Engineer's report, as presented and the action items listed therein, and (ii) approve the proposal relating to the Ground Storage Tank Replacement at the Water Plant.

ATTORNEY’S REPORT

Consider approving agreement with Fort Bend County regarding landscape trees

No action was taken on this matter.

Amend District Rate Order

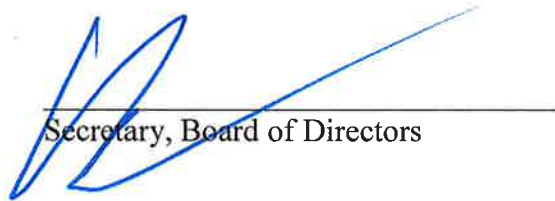
Mr. Cannon presented an Amended Rate Order amending the Family Residential Sanitary Sewer language which would not require the District to amend the Rate Order when garbage collection rates change. After review and upon a motion made by Director Thomas, second by Director Donahue, the Board voted unanimously to (i) approve the Attorney’s report, and (ii) approve the Amended Rate Order.

Mr. Cannon drew the Board’s attention to the District’s constable report and WCA call log attached as Exhibit “L”.

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

PASSED, APPROVED AND ADOPTED this 15th day of May, 2019.




Secretary, Board of Directors