

MINUTES OF REGULAR MEETING
OF THE
BOARD OF DIRECTORS

August 21, 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, August 21, 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 were Amy Symmank with Myrtle Cruz, Inc., the District's Bookkeeper; Nick Bailey and Kyle Adams of Brown & Gay Engineers, Inc., the District's Engineer ("BGE"); Travis Bene and Ben Childress with Environmental Allies ("Environmental"); 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"); David Wood with Robert W. Baird & Co., the District's Financial Advisor; Emily Luong with KGA Deforest Design; 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

No members of the public were present.

HEAR KGA DEFOREST DESIGN PRESENTATION

The Board recognized Ms. Luong who reviewed the Landscape Architect's Report, a copy of which is attached hereto as Exhibit "B". Ms. Luong next outlined the plans for the proposed landscaping project in Falcon Landing Medians and the Detention Pond Area and asked for the Board's consideration and approval to advertise for bids.

Upon a motion by Director Noonan, duly seconded by Director Berger, after full discussion and the question being put to the Board, the Board voted unanimously to approve the request to advertise for bids for landscaping projects in Falcon Landing Medians and the Detention Pond Area.

APPROVE MINUTES OF MEETING OF JULY 17, 2019

The proposed minutes of the meeting held on July 17, 2019 previously distributed to the Board, were presented for consideration and approval. Upon a motion duly made by Director Thomas and seconded by Director Berger, the Board voted unanimously to approve the minutes of the meeting of July 17, 2019.

TAX ASSESSOR/ COLLECTOR REPORT

The Board recognized Ms. Scott who delivered the tax collection report, a copy of which is attached hereto as Exhibit "C".

Ms. Scott noted that water termination letters will be sent to customers who are currently delinquent on their taxes notifying them that if taxes are not paid in full, water service will be subject to disconnection. A copy of the delinquent accounts is attached hereto as Exhibit "D".

Consider approving Amended Tax Assessor Collector Agreement

Ms. Scott next presented an Amended Tax Collector Agreement with BLICO dba Bob Leared Interests for the Board's consideration and approval. Ms. Scott noted that the changes to the agreement includes the name change of the business to BLICO dba Bob Leared Interests, a 15% increase in the base fee, hourly consulting rate increase, annual audit fee increase and night meeting language to be included in all contracts. A summary of the primary changes to the contract is attached hereto as Exhibit "E".

After review and upon a motion by Director Noonan, second by Director Berger, the Board voted unanimously to approve (i) the tax collector's report, (ii) the Amended Tax Assessor Collector Agreement, (iii) and the action items listed therein.

HEAR FINANCIAL ADVISOR'S REPORT

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

Discuss tax levy for 2019, set public hearing and publish notice thereof

The Board recognized Mr. Wood who presented the Financial Advisor's tax rate recommendation of \$0.96 per \$100 of assessed valuation consisting of \$0.26 for maintenance and operations and \$0.70 for debt service tax, a copy of which is attached hereto as Exhibit "F".

Following discussion, and based on a motion duly made by Director Noonan, seconded by Director Menconi, the Board voted unanimously (i) to issue Notice of Intent to levy a tax in the amount of \$0.96 and (ii) set a hearing on the 2019 tax rate for the District's next meeting.

Next Ms. Scott asked the Board's authorization to publish the Notice of Tax Hearing in a newspaper of general circulation and on the District's website.

Following discussion, and based on a motion duly made by Director Noonan, seconded by Director Berger, the Board voted unanimously to (i) authorize publication of the Notice of Tax Hearing in a newspaper of general circulation and (ii) to include the Notice of Tax Hearing on the District's website.

BOOKKEEPER'S REPORT

The Board recognized Ms. Symmank who reviewed the Bookkeeper's report, a copy of which is attached hereto as Exhibit "G".

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

OPERATOR'S REPORT

The Board next recognized Mr. Downum 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 2019, a copy of which is attached hereto as Exhibit "H". Mr. Downum reported that there are twenty-two (22) delinquent accounts to consider for disconnection.

Substantial System Repairs and Maintenance

- Lift Station #2 – Replaced transducer at a cost of \$1,549.85.
- Lift Station #4 – Replaced transducer at a cost of \$2,603.25.

Water Plant Booster Pump #2 Pump & Motor

- The Operator has replaced the motor and repaired the internal components which was authorized at the June meeting. This project is complete.

Deposit Review (Owner/Tenant)

- A copy of the report showing the District's last twelve (12) months of write off accounts along with deposit comparison for neighboring communities is included in the Operator's Report.

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.

District Website Stats

- As of July 2019, there are 328 email subscribers and 57 text subscribers.

After review, upon a motion brought by Director Noonan, seconded by Director Berger, the Board unanimously voted to approve (i) the Operator's report; (ii) the water termination cut off list; (iii) and the action items listed thereof.

Consider amending Rate Order

Mr. Downum noted that the current deposits are not enough to cover fees including those associated with North Fort Bend Water Authority. Mr. Downum recommends amending the rate order and recommends the owner deposits to increase to \$150, tenant deposits to increase to \$250, and disconnection deposits increase to \$100 with no cap.

Following discussion, and based on a motion duly made by Director Noonan, seconded by Director Menconi, the Board voted unanimously to authorize amending the rate order to reflect owner deposits to increase to \$150, tenant deposits to increase to \$250, and disconnection deposits increase to \$100 with no cap.

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".

Mr. Benes noted that the maintenance will increase due to the KGA Deforest landscaping project and adding the Pin Oak area. Ms. Symmank noted that she would amend the budget to include the new fees upon receipt of the proposal from Mr. Benes and for the maintenance fees due to the KGA Deforest landscaping project. No action was taken.

HEAR STORM WATER SOLUTIONS REPORT

No report was 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 "J".

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

- Wastewater Reuse- Site Improvements:
Contractor: Gilleland Smith Construction
Contract Amount: \$1,084,000.00
Pay Estimate No. 4 in the amount of \$345,240.00 and Tolunay-Wong Engineers' invoice in the amount of \$1,095.00.

Mr. Bailey also noted that the final 10% of the payment to Reddico Construction Company for the wastewater reuse project is currently on hold until project is completed and the irrigation system is working properly. He noted that the grass is showing improvement and is growing.

Mr. Bailey also noted that the District is a month away from completion of the water reuse project. Mr. Bailey suggested that the Rate Order may need to be amended to account for any savings of North Fort Bend Water Authority fees associated with the use of re-used water.

Mr. Baily next presented a map that outlines Lift Station No. 1 fence location, a copy of which is attached hereto as Exhibit "K". He noted that there are weeds growing along the fence. Mr. Downum noted that he would determine what needs to be done for maintenance and would follow up with Mr. Benes.

After review, upon a motion brought by Director Thomas, seconded by Director Noonan, the Board unanimously voted to approve the Engineer's report, as presented and the action items listed therein.

ATTORNEY'S REPORT

The Board recognized Mr. Cannon who presented the Attorney's Report.

Approve Annual Review of Investment Policy

Consideration was given to the approval of the Resolution Evidencing Review of Investment Policy, a copy of which is attached hereto as Exhibit "L". Mr. Cannon reminded the Board that the Public Funds Investment Act requires the Board to review the District's Investment Policy annually and consider making any changes thereto.

Discuss status of request to Fort Bend County for consent to encroachment for sidewalk

This action was deferred.

Discuss agreement with Fort Bend County for trees to be used in landscaping project

This action was deferred.

Mr. Cannon drew the Board's attention to the District's constable report and monthly analytics report attached as Exhibit "M".

After review, upon a motion made by Director Noonan, seconded by Director Berger, the Board unanimously voted to approve (i) the Attorney's Report and (ii) the Resolution Evidencing Annual Review of Investment Policy.

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

PASSED, APPROVED AND ADOPTED this 18th day of September, 2019.



Secretary, Board of Directors