

MINUTES  
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23

March 22, 2018

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 23 (the "District") met in regular session, open to the public, on the 22nd day of March, 2018, at Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas 77027, outside the boundaries of the District, and the roll was called of the members of the Board:

William Thomas	President
Anzilla Gilmore	Vice President
Ellen Hughes	Secretary
Chris Robinson	Assistant Vice President
Steven Gates	Assistant Secretary

and all of the above were present, thus constituting a quorum.

Also present at the meeting were Nino Corbett of Compass Land Development, LLC; Tracey Scott of Myrtle Cruz, Inc.; Brian Edwards and Patrick Newton of LJA Engineering, Inc. ("LJA"); Rhonda Patterson of Assessments of the Southwest, Inc. ("ASW"); Calvin Browne and Ursalla Kelly of Municipal District Services, LLC ("MDS"); Donna Gaston of Eco Waste & Recycling ("Eco"); and Katie Sherborne and Merry Heyne of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no comments from the public.

CONSENT AGENDA

The minutes of the February 22, 2018, regular Board meeting, and February 21, 2018, and February 22, 2018, special Board meetings, and consultant reports were provided in advance of the meeting. After discussion, Director Gilmore moved to approve all items on the consent agenda, and to direct that, where appropriate, items are filed and retained in the District's official records, including the following: (1) the minutes from the February 22, 2018, regular Board meeting, and February 21, 2018, and February 22, 2018, special Board meetings; (2) the tax assessor/collector's report and delinquent tax report; (3) the operator's report; and (4) the Administrative Manager's report. Director Hughes seconded the motion, which passed unanimously. Copies of all reports are attached.

## GARBAGE AND RECYCLING MATTERS

The Board discussed ongoing problems with garbage and recycling collection by Eco in the District. The Board discussed two additional complaints received by email from District residents regarding trash that wasn't picked up and considered termination of the current contract with Eco due to these ongoing problems. The Board requested that Eco contact them to explain the reason for the missed trash pick-up. No Board action was taken.

## PARKS AND RECREATIONAL FACILITIES MATTERS

There was no discussion on this agenda item.

## FINANCIAL AND BOOKKEEPING MATTERS

Ms. Scott presented and reviewed the bookkeeper's report, investment report, and the bills presented for payment from the District's accounts.

Following review and discussion, Director Hughes moved to approve the bookkeeper's report, investment report and payment of the bills. Director Gilmore seconded the motion, which passed unanimously. A copy of the bookkeeper's report is attached.

## AMENDED AND RESTATED AGREEMENT FOR BOOKKEEPING SERVICES

Ms. Scott presented and reviewed an Amended and Restated Agreement for Bookkeeping Services (the "Amended Agreement"). Following review and discussion, Director Hughes moved to approve the Amended Agreement effective April 1, 2018, and direct that the Amended Agreement be filed appropriately and retained in the District's official records. Director Gilmore seconded the motion, which was approved by unanimous vote.

## REPORT ON DEVELOPMENT IN THE DISTRICT

Mr. Corbett reported on development in the District.

## ENGINEERING MATTERS

Mr. Edwards presented and reviewed the engineer's report, a copy of which is attached.

Mr. Edwards gave an update on replacement of the bar screen at the wastewater treatment plant. He requested the Board approve the plans and specifications for the project and authorize LJA to advertise for bids.

Mr. Edwards gave an update on the effluent reuse facilities at the wastewater treatment plant. He presented and reviewed a proposal to design the irrigation system for the landscaping along the perimeter fence of the wastewater treatment plant in the amount of \$11,750.

Director Hughes gave an update on renaming a portion of Rabb Road to West Sycamore Road. She reported that Fort Bend County has changed the street signs to West Sycamore Road.

Mr. Edwards gave an update on the South Post Oak Boulevard extension. He reported that he has received a preliminary drainage plan from Fort Bend County for the project which shows the proposed detention pond located on property owned by the District. Discussion ensued regarding the location of the detention pond and not allowing Fort Bend County to put the detention pond on the District's property unless they give the District a recreational easement allowing the District to mow, put in a trail at the District's option in the future, and other options that can be discussed and finalized at a meeting to be scheduled with Fort Bend County.

Mr. Edwards updated the Board on drainage issues in the District and surrounding area. He presented and reviewed a preliminary cost estimate in the amount of \$39,900 for clearing and grubbing of Long Pointe Creek south of Trammel-Fresno Road. No Board action was taken.

Following review and discussion, and based on the engineer's recommendation, Director Hughes moved to (1) approve the engineer's report; (2) approve the plans and specifications for replacement of the bar screen at the wastewater treatment plant and authorize LJA to advertise for bids; and (3) approve the proposal from LJA to design the irrigation system for the landscaping along the perimeter fence of the wastewater treatment plant at a cost of \$11,750. Director Gates seconded the motion, which passed unanimously.

#### UPDATE ON ROAD POWER MATTERS

Mr. Edwards updated the Board on acquiring road powers for the District.

#### ADDITIONAL OPERATING MATTERS

Mr. Browne requested authorization to write off 9 uncollectable accounts totaling \$1,376.09 and send them to a collection agency.

Mr. Browne stated that the District's Identity Theft Prevention Program (the "Program") requires MDS to provide an annual written report evaluating the effectiveness of the Program, significant instances of identity theft detection, and any recommendations regarding changes to the Program. Mr. Browne reviewed the annual report on the District's Program, a copy of which is included in the operator's report.

He stated that the procedures have been implemented. He stated that MDS is not recommending any changes to the Program at this time. Ms. Sherborne added ABHR also is not recommending any Program changes at this time.

Mr. Browne presented and reviewed a proposal from Elite Pumps & Mechanical Services, LLC, in the amount of \$5,275, to replace rotor #2 motor at the wastewater treatment plant.

Following review and discussion, Director Hughes moved to (1) authorize MDS to write off 9 uncollectable accounts totaling \$1,376.09 and send them to a collection agency; and (2) authorize MDS to replace rotor #2 motor at the wastewater treatment plant at a cost of \$5,275. Director Robinson seconded the motion, which passed unanimously.

#### AMENDMENT TO OPERATOR'S AGREEMENT

Mr. Browne presented and reviewed an Amended Schedule of Rates for MDS' contract with the District (the "Amended Contract"). Following review and discussion, Director Hughes moved to approve the Amended Contract effective April 1, 2018, and direct that the Amended Contract be filed appropriately and retained in the District's official records. Director Robinson seconded the motion, which was approved by unanimous vote.

#### PROPOSAL FOR MAINTENANCE OF DRAINAGE AND DETENTION FACILITIES

This agenda item was deferred until the next Board meeting.

#### UPDATE ON INSTALLATION OF SMART METERS IN THE DISTRICT

Mr. Browne updated the Board on the installation of smart meters in the District. He reported that installation of the first 750 meters will begin around April 1, 2018.

#### AUTHORIZE OPERATOR TO PREPARE WATER LOSS AUDIT

Ms. Sherborne stated that the District is required to prepare a water loss audit every year. Following review and discussion, Director Hughes moved to authorize the operator to prepare the water loss audit. Director Robinson seconded the motion, which was approved by unanimous vote.

APPROVE ANNUAL REPORT ON IMPLEMENTATION OF WATER CONSERVATION PLAN AND AUTHORIZE SUBMITTAL TO THE TEXAS WATER DEVELOPMENT BOARD

This agenda item was deferred until the next Board meeting.

CONDUCT ANNUAL REVIEW OF DROUGHT CONTINGENCY PLAN

Ms. Sherborne reviewed the District's Drought Contingency Plan with the Board. She stated that there are no revisions recommended to the current Plan at this time. The Board concurred that no action was necessary.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE

Mr. Browne presented a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment. Following review and discussion, Director Hughes moved to authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Robinson seconded the motion, which passed by unanimous vote.

DISTRICT SECURITY MATTERS

There was no discussion on this agenda item.

2018 DIRECTORS ELECTION

There was no discussion on this agenda item.

2018 WATER CONSERVATION PROGRAM

The Board reviewed a proposed power point presentation to be shown at the 2018 Water Conservation Program scheduled for April 7, 2018.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS ON DISTRICT OPERATIONS

There was no discussion on this agenda item.

CONVENE IN EXECUTIVE SESSION

The Board convened in executive session at 7:31 p.m. pursuant to Section 551.071, Texas Government Code.

RECONVENE IN OPEN SESSION

The Board reconvened in open session at 7:34 p.m. Director Hughes moved to approve the settlement agreement with Housing and Land Development Corp. dba IKLO Construction in accordance with the terms discussed in Executive Session, subject to finalization. Director Gilmore seconded the motion, which was approved by unanimous vote.

There being no further business to come before them, the Board concurred to adjourn the meeting.

  
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Secretary, Board of Directors

(SEAL)



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