

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23

June 27, 2019

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 27th day of June, 2019, 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 Mary Dubois of Acclaim Energy Advisors ("Acclaim"); Fire Chief Anthony Bates of the Fresno Fire Department; Brittany Bogard of Assessments of the Southwest, Inc. ("ASW"); Tracey Scott of Myrtle Cruz, Inc.; Brian Edwards of LJA Engineering, Inc. ("LJA"); Calvin Browne and Ursalla Kelly of Municipal District Services, LLC ("MDS"); Marcus Campbell of Time and Season; and Adisa Harrington and Merry Heyne of Allen Boone Humphries Robinson LLP ("ABHR").

CONSENT AGENDA

The minutes of the May 23, 2019, regular Board meeting, and consultant reports were provided in advance of the meeting. After discussion, Director Robinson 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 May 23, 2019, regular Board meeting; (2) the tax assessor/collector's report and delinquent tax report; (3) the operator's report; and (4) the Administrative Manager's report. Director Gates seconded the motion, which passed unanimously. Copies of all reports are attached.

PUBLIC COMMENTS

Chief Bates addressed the Board and introduced himself. He gave a brief summary of the Fresno Fire Department and informed the Board that the Fresno Fire Department employs five fire fighters and has ten volunteer fire fighters. He added that the Fresno Fire Department is funded solely by Fort Bend County Emergency Services District No. 7 ("ESD7") and is responsible for covering 45 square miles.

Ms. Harrington discussed the proposed agreement between the District and ESD7 for the District to donate land for a new fire department. She added that ABHR is proposing to have ESD7 draft the conveyance documents for ABHR to review.

EVO PRESENTATION

This agenda item was deferred until the next Board meeting. The Board discussed the benefits of an EVO report.

CONSIDER ENGAGING ENERGY CONSULTANT

Ms. Dubois presented and reviewed information on Acclaim's services, a copy of which is attached. Discussion ensued. Following discussion, Ms. Dubois requested that the Board sign a letter of authorization that would allow Acclaim to obtain pricing to present to the Board regarding future electricity options. There was no Board action taken.

GARBAGE AND RECYCLING MATTERS

This agenda item was deferred until the next Board meeting.

PARKS AND RECREATIONAL FACILITIES MATTERS

Mr. Campbell presented and reviewed the different maintenance items included in Time and Season's bi-monthly Inspection Report for park and recreational facilities, a copy of which is attached. He reported to the Board on an awning in Cambridge Falls that has fallen down and stated he will send photographs of the awning to Mr. Edwards, who will then notify the developer. He also reported that the wind screens on the tennis courts in Winfield Lakes have torn. He added that he has contacted the manufacturer of the wind screens, who informed him that the warranty on the wind screens does not cover damage caused by high wind. Following discussion, the Board concurred to have Mr. Campbell contact the manufacturer again to discuss replacement due to a possible defect in the wind screens. It was noted that it is Winfield Lakes Homeowners Association's responsibility to take care of the torn wind screens if the manufacturer will not replace the wind screen.

REPORT ON DEVELOPMENT IN THE DISTRICT

There was no discussion on this agenda item.

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTION OF DELINQUENT TAXES

After discussion, Director Gilmore moved to authorize the delinquent tax attorney to proceed with collection of the 2018 delinquent taxes outstanding as of July 1, 2019. Director Robinson seconded the motion, which passed unanimously.

ADOPT RESOLUTION NOMINATING CANDIDATE FOR BOARD OF DIRECTOR ELECTION FOR FORT BEND CENTRAL APPRAISAL DISTRICT

Ms. Harrington stated the Board has the opportunity to nominate a candidate for the Fort Bend Central Appraisal District Board. She reviewed a Resolution Nominating Candidate for Board of Director Election for Fort Bend Central Appraisal District. Ms. Harrington noted that Mike Rozell is running for the Fort Bend Central Appraisal District Board and will be a candidate on the ballot. Following discussion, the Board concurred to take no action on this agenda item.

ASSOCIATION OF WATER BOARD DIRECTORS CONFERENCE

The Board discussed the summer Association of Water Board Directors Conference. After discussion, Director Gates moved to approve reimbursement of eligible summer conference expenses submitted by all participating Directors, which the bookkeeper confirmed were submitted in accordance with the District's Travel Reimbursement Guidelines, and authorize attendance at the winter conference by any Director who wishes to participate. Director Robinson seconded the motion, which was approved by unanimous vote.

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

The Board discussed Senate Bill 2 that was recently passed at the 86th legislative session.

ENGINEERING MATTERS

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

Mr. Edwards gave an update on the Water Plant No. 1 Ground Storage Tank No. 2 and Water Plant Nos. 1 and 2 Recoating Project. He reported that LJA received a

Consent to Encroachment from CenterPoint Energy ("CenterPoint"). Mr. Edwards requested that the Board approve and authorize execution of the Consent to Encroachment, subject to final review and approval by ABHR.

Mr. Edwards gave an update on the Wastewater Treatment Plant Oxidation Ditch Repair. He requested the Board approve the plans and specifications and authorize LJA to solicit a minimum of three bids.

Mr. Edwards gave an update on potential drainage improvements and maintenance of Long Point Creek adjacent to the District. The Board discussed using drone coverage to assist in identifying maintenance issues and requested that LJA provide a proposal for use of a drone, for review and consideration at the next Board meeting.

The Board discussed the proposed ESD7 fire station and the conveyance documents that will include architectural control provisions for the fire station site as well as a reversion clause returning ownership of the site to the District in the event the site is no longer used as a fire station.

Following review and discussion, and based on the engineer's recommendation, Director Hughes moved to (1) approve the engineer's report; (2) approve and authorize execution of the CenterPoint Consent to Encroachment, subject to final review and approval by ABHR; (3) approve the plans and specifications for the Wastewater Treatment Plant Oxidation Ditch Repair and authorize LJA to solicit a minimum of three bids; and (4) authorize ABHR to move forward with finalizing the paperwork for the conveyance of the tract of land from the District to ESD7 for the proposed ESD7 fire station. Director Robinson seconded the motion, which passed unanimously.

ROAD POWER MATTERS

There was no discussion on this agenda item.

STREET LIGHTS IN THE DISTRICT

Mr. Edwards gave an update on the installation of street lights in the District and Fort Bend County Municipal Utility District No. 24 ("MUD 24") along Chimney Rock Road near the elementary school. He reported that the District is still waiting for Winfield Lakes Community Association (the "HOA") to confirm in writing that it will pay the ongoing electricity cost of new streetlights to be installed adjacent to Winfield Lakes.

ADDITIONAL OPERATING MATTERS

Mr. Browne requested authorization to write off 13 uncollectable accounts totaling \$1,471.01 and send them to a collection agency.

Mr. Browne reported on a customer who contacted MDS because of a water leak coming from a leaking fire hydrant located north of 3907 Teal Run Meadow Drive. He noted that the fire hydrant is located in Fresh Water Supply District No. 1 ("FWSD No. 1") and that MDS has contacted FWSD No. 1 about the leak.

Mr. Browne presented and reviewed a proposal from CDC Unlimited, LLC ("CDC") to shred the cattails in the area 9 and area 11 detention ponds using an AquaShred machine at a cost of \$13,500.

Following review and discussion, and based on the operator's recommendation, Director Hughes moved to (1) authorize MDS to write off 13 uncollectable accounts totaling \$1,471.01 and send them to a collection agency; and (2) authorize CDC to shred the cattails in the area 9 and area 11 detention ponds using an AquaShred machine in the amount of \$13,500. Director Robinson seconded the motion, which passed unanimously.

The Board discussed the annual commercial meter testing in the District and possibly replacing the commercial meters with smart meters. Following discussion, the Board requested that Mr. Browne provide a proposal for review and consideration at the next Board, as discussed.

APPROVE INTERLOCAL AGREEMENT WITH THE SUBSIDENCE DISTRICT FOR WATER WISE PROGRAM

Ms. Harrington reviewed the Interlocal Agreement between the District and Fort Bend Subsidence District for the Water Wise Program. Following review and discussion, Director Hughes moved to approve the Interlocal Agreement between the District and Fort Bend Subsidence District reflecting the sponsorship of Goodman Elementary and Burton Elementary for the Water Wise Program for the 2019-2020 school year. Director Robinson seconded the motion, which passed by unanimous vote. Director Gates informed the Board that he would like to get involved with the Water Wise Program at one of the schools the District is sponsoring.

REVIEW WATER AND SEWER RATES AND, IF APPROPRIATE, AMEND RATE ORDER

This agenda item was deferred until the next Board meeting.

UPDATE ON INSTALLATION OF SMART METERS IN THE DISTRICT

There was no discussion on this agenda item.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE

Mr. Browne presented a list of delinquent customers to the Directors 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.

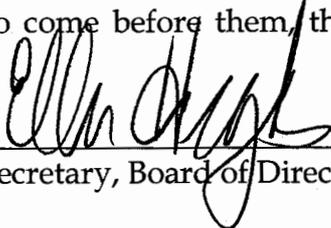
DISTRICT SECURITY MATTERS

There was no discussion on this agenda item.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS ON DISTRICT OPERATIONS

There was no discussion on this agenda item.

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


Secretary, Board of Directors

(SEAL)



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