

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23

June 29, 2017

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 29th day of June, 2017, 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 Marsha Jan of McCall Gibson Swedlund Barfoot PLLC ("McCall Gibson"); Marcus Campbell of Time and Season; Tracey Scott of Myrtle Cruz, Inc.; Brian Edwards and Jacob Clark of LJA Engineering, Inc. ("LJA"); Rhonda Patterson of Assessments of the Southwest, Inc.; Calvin Browne and Ursalla Kelly of Municipal District Services, LLC ("MDS"); Monique Hayes of Eco Waste & Recycling ("Eco"); Mike Martinez, a resident of the District; and Adisa Harrington and Merry Heyne of Allen Boone Humphries Robinson LLP ("ABHR").

CONSENT AGENDA

The minutes of the May 31, 2017, regular Board meeting, 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 May 31, 2017, 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 Hughes seconded the motion, which passed unanimously. Copies of all reports are attached.

PUBLIC COMMENTS

Mr. Martinez addressed the Board and requested the District pay the costs associated with the residents of Teal Run General Maintenance Association ("Teal Run GMA") having larger 65-gallon, wheeled recycling carts rather than the 18-gallon recycling bins provided to each District resident by Eco. Discussion ensued regarding this request and the additional cost to the District to provide 65-gallon recycling carts in Teal Run GMA and throughout the District versus having interested homeowners

individually purchase their own larger recycling carts from a store. Following discussion, the Board concurred for Director Thomas to discuss this matter further with the homeowner association board presidents at the next joint presidents' meeting and obtain their input regarding the level of interest throughout the District in having 65-gallon recycling carts.

ADDITIONAL OPERATING MATTERS

Mr. Browne requested authorization to write off 21 uncollectable accounts totaling \$3,924.21 and send them to a collection agency.

Mr. Browne presented and reviewed a proposal from NTS Pumps, Motors and Controls ("NTS") in the amount of \$5,585 to repair lift pump no. 1 at lift station no. 5.

Mr. Browne presented and reviewed a proposal from NTS in the amount of \$3,270 to repair the motor on booster pump no. 1 at water plant no. 1.

Mr. Browne discussed two recent failures of the Whole Effluent Toxicity tests at the District's wastewater treatment plant. Discussion ensued. Mr. Browne informed the Board that MDS will continue investigating the cause of the failed tests.

Mr. Browne reported on a recent request for service for a residential group home in the District.

Following review and discussion, Director Hughes moved to (1) authorize MDS to write off 21 uncollectable accounts totaling \$3,924.21 and send them to a collection agency; (2) authorize NTS to repair lift pump no. 1 at lift station no. 5 at a cost of \$5,585; and (3) authorize NTS to repair the motor on booster pump no. 1 at water plant no. 1 at a cost of \$3,270. Director Gilmore seconded the motion, which passed unanimously.

DISCUSS SMART METERS AND TAKE APPROPRIATE ACTION

The Board discussed installation of the smart meters in the District. Following discussion, the Board requested that Mr. Browne provide a summary of the costs and details associated with installing smart meters in the District at the next Board meeting, and the Board deferred action until the next meeting.

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 Gilmore seconded the motion, which passed by unanimous vote.

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.

Mr. Clark updated the Board on the Winfield Lakes Tennis Courts/Andover Farms Park Improvements project (the "Park Project"). He presented and reviewed two options for proposed improvements for items found not to be in compliance with the Americans with Disabilities Act ("ADA"). Following discussion, the Board concurred to go with option 2 and to have LJA coordinate with Mr. Campbell to obtain bids for the ADA issues to present at the next Board meeting.

Mr. Clark gave an update on the Cambridge Falls walking trail. He recommended the Board approve Change Order No. 4 in the amount of \$9,568 for over-runs including sidewalk, storm pipe, and retaining wall due to field adjustments during construction.

Mr. Clark gave an update on the sidewalk along Teal Bend Boulevard. He recommended the Board approve Change Order No. 1 in the amount of \$1,170 to adjust the contract amount for removal of crosswalk striping from the scope of work, modifications to the existing ramp to meet accessibility requirements, and modifications to the actual versus bid proposal length of sidewalk as installed.

Following review and discussion, Director Hughes moved to (1) approve the landscape architect's report; (2) approve Change Order No. 4 in the amount of \$9,568, for over-runs including sidewalk, storm pipe, and retaining wall due to field adjustments during construction, for the Cambridge Falls walking trail, subject to receipt of a Form 1295; and (3) approve Change Order No. 1 in the amount of \$1,170 to adjust the contract amount for removal of crosswalk striping from the scope of work, modifications to the existing ramp to meet accessibility requirements, and modifications to the actual versus bid proposal length of sidewalk as installed, for the sidewalk along Teal Bend Boulevard. Director Robinson seconded the motion, which passed unanimously. A copy of the landscape architect's report is attached.

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 Hughes moved to authorize the delinquent tax attorney to proceed with collection of 2016 delinquent taxes. Director Gates seconded the motion, which passed unanimously.

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

Ms. Harrington reviewed with the Board a Resolution Nominating Candidate for Board of Director Election for Fort Bend Central Appraisal District. Following discussion, the Board concurred to take no action on this item.

SERIES 2017B UNLIMITED TAX BONDS, INCLUDING APPROVE DEVELOPER REIMBURSEMENT REPORT

Ms. Jan reviewed the developer reimbursement report for disbursement of proceeds from the District's Series 2017B Bonds. After review and discussion, Director Hughes moved to approve the developer reimbursement report and direct that the report be filed appropriately and retained in the District's official records. Director Gates seconded the motion, which passed unanimously.

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 (1) approve the bookkeeper's report, investment report and payment of the bills; and (2) authorize disbursement of the proceeds from the Series 2017B Bonds. Director Gilmore seconded the motion, which passed unanimously. A copy of the bookkeeper's report is attached.

ASSOCIATION OF WATER BOARD DIRECTORS CONFERENCE

The Board discussed the summer Association of Water Board Directors Conference. After discussion, Director Gilmore 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 Gates seconded the motion, which was approved by unanimous vote.

ENGINEERING MATTERS

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

Mr. Edwards gave an update on the proposal for renewal of the wastewater treatment plant permit that expires every five years. He reviewed LJA's proposal for engineering services related to the permit renewal and requested the Board authorize LJA to proceed with renewal of the permit.

Mr. Edwards gave an update on the Sycamore/Rabb Road extension and proposed land swap. He reviewed the exhibit detailing the portion of the existing Rabb Road right-of-way that will be returned to the District. He added that Fort Bend County is finalizing the land swap agreement.

Following review and discussion, and based on the engineer's recommendation, Director Robinson moved to (1) approve the engineer's report; and (2) approve LJA's proposal for engineering services and authorize LJA to proceed with renewal of the wastewater treatment plant permit. Director Hughes seconded the motion, which passed unanimously.

DISTRICT SECURITY MATTERS

Director Thomas discussed security matters in the District.

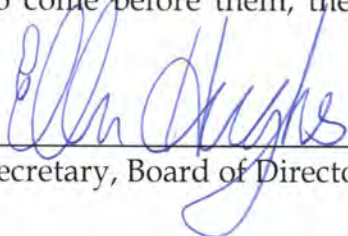
REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS ON DISTRICT OPERATIONS

There was no discussion on this agenda item.

REPORT REGARDING LEGISLATIVE MATTERS

Ms. Harrington distributed and reviewed a report prepared by ABHR regarding legislative matters pertaining to the 85th Regular Session of the Texas Legislature, a copy of which is attached. There was no Board action that was necessary.

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


Secretary, Board of Directors

(SEAL)



LIST OF ATTACHMENTS TO MINUTES

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