

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

September 4, 2024

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 50 (the "District") met in regular session, open to the public, on the 4th day of September, 2024, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Leon Bridges	President
Ken Mathews	Vice President
Paula Vitello	Secretary
Sandy Lewis	Assistant Secretary
Reginald Stubblefield	Assistant Vice President

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

Also present at the meeting were: Steve Reichardt of JNS Construction Solutions; David Svoboda, owner of property located adjacent to the District; Bobby Ferguson and Corey Ferguson of Parkway Lakes Development, Inc.; Craig Lewis of the North Fort Bend Water Authority ("NFBWA"); Alex Flores of Tax Tech, Inc.; Roshell Arterburn and Vanessa Pedroza of District Data Services, Inc. ("DDS"); Calvin Browne of Municipal District Services, LLC ("MDS"); Marco Montes of R.G. Miller Engineers, Inc. ("R.G. Miller"); Zach Halbert of Champions Hydro-Lawn, Inc. ("Champions"); Justin Klump and Patrick Elliott of Storm Water Solutions, LLC ("SWS"); Andy Mersmann of BGE, Inc.; and Christina Miller, Aaron Carpenter, and Cheryl Panozzo of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Mr. Reichardt introduced himself to the Board and stated he is speaking on behalf of his client, Mr. Svoboda. Mr. Reichardt reported that property owned by Mr. Svoboda located at 7225 Northpark Drive (the "Property"), surrounded by and outside of the District, contains an existing 4,000 sf office/warehouse and Mr. Svoboda hired his company to construct an additional 5,000 sf building on the Property. He requested consideration from the Board for the District to serve the Property with out-of-District sanitary sewer service. Discussion ensued regarding the District serving the Property with out-of-District sanitary sewer service or by annexing the Property into the District and, following discussion, the Board directed ABHR to coordinate with the District's engineer on the feasibility of both options.

MINUTES

The Board reviewed the minutes of the regular meeting held on August 7, 2024. After review and discussion, Director Bridges moved to approve the minutes of the regular meeting held on August 7, 2024, as submitted. Director Vitello seconded the motion, which passed by unanimous vote.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Flores reviewed the tax assessor/collector's report, a copy of which is attached. He reported that 99.02% of the 2023 tax levy had been collected as of August 31, 2024. After review and discussion, Director Bridges moved to approve the tax assessor/collector's report and payment of the bills listed in the report. Director Vitello seconded the motion, which passed by unanimous vote.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Mr. Flores stated that the notice was published of the public hearing to be held at today's meeting regarding adoption of the District's proposed 2024 total tax rate of \$0.85.

Mr. Carpenter then opened the public hearing. There being no comments from the public, Mr. Carpenter closed the public hearing.

Mr. Carpenter presented an Order Levying Taxes reflecting the proposed 2024 tax rate. After review and discussion, Director Bridges moved to adopt the Order Levying Taxes reflecting a total 2024 tax rate of \$0.85 per \$100 of assessed valuation, comprised of \$0.47 to pay debt service and \$0.38 for operations and maintenance and direct that the Order be filed appropriately and retained in the District's official records. Director Vitello seconded the motion, which passed by unanimous vote.

Ms. Panozzo stated that an Amendment to Information Form is not needed because the tax rate the District is adopting for the 2024 tax year is the same tax rate that the District adopted for the 2023 tax year.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Arterburn presented the bookkeeper's report, including the investment report, a copy of which is attached, and submitted the District's bills for payment.

Ms. Arterburn reviewed a proposed budget for the fiscal year ending September 30, 2025, a copy of which is included in the bookkeeper's report. Following review and

discussion, the Board requested that DDS decrease the GIS engineering fee to \$18,000.00 in the budget.

After review and discussion, Director Mathews moved to (1) approve the bookkeeper's report, investment report, and payment of the bills listed in the report; and (2) adopt the budget for the fiscal year ending September 30, 2025, as revised. Director Vitello seconded the motion, which passed by unanimous vote.

AUTHORIZE AUDITOR TO CONDUCT AUDIT FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2024

Mr. Carpenter stated that the Board previously executed an engagement letter with Mark C. Eyring, CPA, PLLC, to perform the District's audit for the fiscal year ending September 30, 2024. Following review and discussion, Director Mathews moved to authorize Mark C. Eyring, CPA, PLLC, to conduct the audit for the District's fiscal year ending September 30, 2024. Director Bridges seconded the motion, which passed unanimously.

AMENDMENT TO RECREATIONAL FACILITIES AGREEMENT WITH WESTHEIMER PARKWAY LAKES ASSOCIATION, INC.

Mr. Carpenter reported that the Recreational Facilities Agreement between the District and Westheimer Parkway Lakes Association, Inc. expires on September 14, 2024. Following review and discussion, Director Bridges moved to amend the Recreational Facilities Agreement with Westheimer Parkway Lakes Association, Inc. to extend the term for another twenty years, unless sooner terminated by the written agreement of the parties. Director Mathews seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Mr. Browne reviewed the operator's report, a copy of which is attached. He reported that water accountability for the previous month was 93.5% and reported on maintenance performed at the District's facilities. Mr. Browne provided an update on the installation of smart meters in the District. After review and discussion, Director Mathews moved to (1) approve the operator's report; and (2) authorize MDS to turn over two accounts in the total amount of \$569.28, deemed to be uncollectible, to a collection agency. Director Vitello seconded the motion, which passed unanimously.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS AND AUTHORIZE TERMINATION OF SERVICE

The Board conducted a hearing on the termination of utility service. Mr. Browne presented a list of delinquent customers and reported that the residents on the termination list were mailed written notice prior to this meeting in accordance with the District's Rate

Order, notifying them of the opportunity to appear before the Board of Directors to explain, contest, or correct the utility service bill and to show reason why utility service should not be terminated for reason of nonpayment. Following review and discussion, Director Mathews moved that, because the customers on the termination list were neither present at the meeting nor had presented any statement on the matter, utility service should be terminated in accordance with the procedures set forth in the District's Rate Order, and the delinquent customer list should be filed appropriately and retained in the District's official records. Director Vitello seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING SERVICE MATTERS

The Board discussed garbage and recycling service matters.

NFBWA MATTERS

Ms. Miller updated the Board on NFBWA matters and reported that the NFBWA Board anticipates no fee increases for 2025.

DEVELOPMENT IN THE DISTRICT

Mr. Corey Ferguson and Mr. Bobby Ferguson provided an update on development in the District. Mr. Bobby Ferguson reported that R.G. Miller received bids for the water, sanitary sewer, and drainage facilities to serve the proposed District West mixed-use development to be located off of FM 1093 between Peek Road and Kelsey Seybold Lane.

Mr. Carpenter gave an update on the proposed development of an approximately 191.3-acre single-family home community by Taylor Morrison, Inc., which would be located at the southeast corner of Grand Parkway and Beechnut Street.

ENGINEERING MATTERS

Mr. Montes presented the engineer's report, a copy of which is attached, including the projects specifically addressed as follows:

WATER PLANT NO. 2 EXPANSION NO. 1

Mr. Montes gave an update on construction of the Water Plant No. 2 Expansion No. 1 project and reported that a well pump has been ordered.

SUB-REGIONAL DETENTION BASIN, STORM SEWER OUTFALL AND JUNCTION BOX AND WATERLINE PROJECT

Mr. Montes gave a report on design of the Sub-Regional Detention Basin, Storm Sewer Outfall and Junction Box and Waterline project for the outfall from the proposed junction box to the Sub-Regional Detention Basin.

FORT BEND COUNTY BELLAIRE BOULEVARD RIGHT TURN LANE PROJECT

Mr. Montes gave an update on design of the right turn lanes on Bellaire Boulevard to be installed by Fort Bend County and stated he anticipates that bidding of the project will occur in the fourth quarter of 2024.

WATER, SANITARY SEWER, AND DRAINAGE FACILITIES TO SERVE THE DISTRICT WEST MIXED-USE DEVELOPMENT

Mr. Montes stated that bids were received for construction of the water, sanitary sewer, and drainage facilities to serve the District West mixed-use development. Mr. Montes recommended that the Board award the contract to the second lowest bidder, Texas Underground Utilities, in the amount of \$1,819,715.70, due to mathematical discrepancies within the bid estimate of the low bidder and because the low bidder was non-responsive to the request for Statement of Qualifications. The Board concurred that, in its judgment, Texas Underground Utilities was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project. Mr. Carpenter reported that D-W North Tract, LLC will pre-finance the construction costs for the project and the District will reimburse D-W North Tract, LLC in the future with bond proceeds to the extent permitted by law and regulatory requirements. Discussion ensued regarding confirmation that D-W North Tract, LLC has sufficient funds to cover the construction costs for the project. The Board requested that a Notice to Proceed not be issued for the project until the District enters into a Letter Agreement with D-W North Tract, LLC related to the project (“the Letter Agreement”) and D-W North Tract, LLC escrowing the required funds per the Letter Agreement.

After review and discussion, Director Bridges moved to (1) approve the engineer’s report; and (2) award the contract for construction of the water, sanitary sewer, and drainage facilities to serve the District West mixed-use development to Texas Underground Utilities in the amount of \$1,819,715.70, based upon the engineer’s recommendation, subject to receipt of the payment and performance bonds and the certificate(s) of insurance and endorsements, if any, provided by the contractor, and contingent on the District entering into the Letter Agreement with D-W North Tract, LLC. Director Vitello seconded the motion, which passed unanimously.

STORM WATER PERMITTING MATTERS

Mr. Klump reviewed a proposal from SWS to conduct the work necessary to prepare the Notice of Intent ("NOI") application for the District's Storm Water Management Plan ("SWMP") and submit the required documentation to the Texas Commission on Environmental Quality ("TCEQ"). He reviewed a summary of the SWMP Year 5 Extension goals and training, a copy of which is attached. Following review and discussion, Director Bridges made a motion to approve SWS's proposal regarding the TPDES General Permit No. TXR040000 and direct that the proposal be filed appropriately and retained in the District's official records. Director Mathews seconded the motion, which passed unanimously.

Mr. Klump reviewed an Executive Summary prepared by SWS on remediation efforts related to the recent Water Plant No. 2 diesel spill pursuant to the implementation of the District's SWMP, a copy of which is attached. He then presented a proposal from SWS in the amount not to exceed \$25,000.00 for coordination and remediation efforts related to the Water Plant No. 2 diesel spill pursuant to the implementation of the District's SWMP. After review and discussion, Director Bridges moved to approve the proposal from SWS in the amount not to exceed \$25,000.00 and direct that it be filed appropriately and retained in the District's official records. Director Mathews seconded the motion, which passed unanimously.

GEOGRAPHIC INFORMATION SYSTEM ("GIS") MATTERS

There was no discussion on this matter.

REPORT ON MAINTENANCE OF DISTRICT DETENTION PONDS AND FACILITY SITES

Mr. Halbert reviewed a report on maintenance of the District's detention ponds and facility sites prepared by Champions, a copy of which is attached.

DISTRICT WEBSITE MATTERS

There was no discussion on this matter.

DISTRICT SECURITY MATTERS

There was no discussion on this matter.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, SECTION 551.076, AND SECTION 551.087 TEXAS GOVERNMENT CODE

The Board convened in Executive Session at 1:37 p.m., pursuant to Section 551.071, Texas Government Code, to conduct a private consultation with attorney to

discuss pending or contemplated litigation, or a settlement offer. All attendees left the meeting except for the Board members, Mr. Browne, Ms. Miller, Mr. Carpenter, and Ms. Panozzo.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING MATTERS DISCUSSED IN EXECUTIVE SESSION

The Board reconvened in regular session at 1:39 p.m.

Director Mathews moved to authorize ABHR and MDS to take all actions necessary to notify the appropriate parties that the District requests exclusion from settlement agreements reached with respect to (1) *Aqueous Film-Forming Foams Products Liability Litigation*, MDL No. 2:18-mn-2873-RMG, this document relates to: *City of Camden, et al., v. BASF Corporation*, No. 2:24-cv-03147-RMG; and (2) *Aqueous Film-Forming Foams Products Liability Litigation*, MDL No. 2:18-mn-2873, this document relates to: *City of Camden, et al., v. Tyco Fire Products LP, et al.*, No. 2:24-cv-02321-RMG. Director Vitello seconded the motion, which passed unanimously.

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

(SEAL)



Paola Vitello
Secretary, Board of Directors

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