

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 187

May 8, 2018

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 187 (the "District") met in regular session, open to the public, on the 8th day of May, 2018, 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:

David Vrshek	President
Larry J. Junek	Vice President
Sam Mayson	Secretary
Doug Fyfe	Assistant Vice President
Donna Coleman	Assistant Secretary

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

Also present at the meeting were: Rose Montalbano of F. Matuska, Inc.; Rhonda Patterson of Assessments of the Southwest, Inc. ("ASW"); Ron Dechert of Costello, Inc. ("Costello"); Julie Peak and Greg Lentz of Masterson Advisors, LLC; Susan Lang of the City of Richmond; and Angela Lutz and Veronica Seguin of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

No public comments were received by the Board.

2018 DIRECTORS ELECTION

The Board considered approving a Certificate of Election, reflecting the election of Donna Coleman and Larry J. Junek to the Board of Directors of the District, each for a four-year term. After review and discussion, Director Fyfe moved to approve the Certificate of Election and the distribution of same to Donna Coleman and Larry J. Junek, and direct that the Certificate of Election be filed appropriately and retained in the District's official records. Director Mayson seconded the motion, which passed by unanimous vote.

Ms. Lutz reviewed the Sworn Statements and Oaths of Office for Directors Coleman and Junek. After review and discussion, Director Fyfe moved that the Board approve the Sworn Statements and Oaths of Office and direct that the documents be filed in the official records of the District, and that the Oaths of Office be filed with the Secretary of State, as required by law. Director Mayson seconded the motion, which passed by unanimous vote.

REORGANIZE BOARD OF DIRECTORS

The Board concurred to retain the same officer positions.

MINUTES

The Board considered approving the minutes of the April 10, 2018, regular meeting. After review and discussion, Director Mayson moved to approve the minutes of the April 10, 2018, regular meeting, as presented. Director Junek seconded the motion, which passed unanimously.

TRAVEL AND REIMBURSEMENT GUIDELINES AND DIRECTOR EXPENSES FOR ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") SUMMER CONFERENCE

Ms. Lutz reviewed the District's Travel Reimbursement Guidelines. After review and discussion, Director Vrshek moved to authorize reimbursement of up to four per diems, three nights of hotel stay, and reasonable meals according the Travel Reimbursement Guidelines for directors attending the AWBD summer conference. Director Mayson seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Patterson presented and reviewed with the Board the tax assessor/collector's report, including the unpaid accounts roll, a copy of which is attached.

Director Vrshek and Ms. Patterson discussed the status of a certain tax account.

Following discussion, Director Mayson moved to approve the tax assessor/collector's report and pay the bills from the tax account. Director Fyfe seconded the motion, which passed by unanimous vote.

OPERATION OF DISTRICT FACILITIES

Ms. Lang presented and reviewed the City of Richmond (the "City") operator's report, a copy of which is attached. It was noted that during the previous month, the City installed 11 new single family connections. It was noted that the City reported a total of 1,146 occupied single family connections through April 30, 2018. Director Vrshek noted there have been 1,139 home sales closed in the District to date.

Ms. Lang responded to inquiries from the Board regarding the City's water account termination process, account auto drafting and water bill payment options.

Director Fyfe reported that certain residents along Valley Oaks have stated they have found particulates in their water a few weeks ago. Ms. Lang recommended any residents of the District report any water quality or garbage collection issues or questions to the City's Public Works Department. The Board discussed adding contact information regarding the City's Public Works and Customer Care Departments to the District's website.

Ms. Lang stated any major water or sewer maintenance the City undertakes will be posted to the City's website. The Board discussed adding a link to the City's website to the District's website.

Ms. Lang presented and reviewed the District's draft Consumer Confidence Report, which will be mailed to District residents and filed with the Texas Commission on Environmental Quality. A copy of the draft Consumer Confidence Report is attached to the operator's report.

After review and discussion, Director Fyfe moved to (1) approve the operator's report; and (2) approve the Consumer Confidence Report and direct it be filed appropriate and retained in the District's official records. Director Junek seconded the motion, which passed unanimously.

FINANCIAL SERVICES AND FINANCIAL ADVISOR SERVICES AGREEMENT

Ms. Peak stated she is no longer employed by First Southwest/Hilltop Securities Inc. and has joined Masterson Advisors LLC. She discussed the staff, qualifications, contract terms and fee structure of Masterson Advisors LLC and reviewed a Financial Advisory Contract with Masterson Advisors LLC. After review and discussion, Director Fyfe moved to (1) terminate the District's contract with First Southwest/Hilltop Securities, Inc. and authorize ABHR to send a letter terminating the District's contract and request a waiver of the 30-day notice of termination; and (2) approve the Financial Advisory Agreement with Masterson Advisors LLC and direct it be filed appropriately and retained in the District's official records. Director Mayson seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING

Ms. Montalbano presented and reviewed the bookkeeper's report, quarterly investment report, and list of bills to be paid. After review and discussion, Director Fyfe moved to approve the bookkeeper's report and pay the bills listed in the report, including the invoice from Frank's Nursery. Director Mayson seconded the motion, which passed unanimously. A copy of the bookkeeper's report is attached.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Ms. Peak and the Board discussed tax exemption matters, home value trends and the District's tax rate. Ms. Lutz then presented and reviewed a Resolution Concerning Exemptions from Taxation reflecting a \$10,000 exemption for persons over the age of 65 or disabled persons. After review and discussion, Director Mayson moved to adopt the Resolution Concerning Exemptions from Taxation, as presented, and directed it be filed appropriately and retained in the District's official records. Director Fyfe seconded the motion, which passed unanimously. The Board noted its intention to reduce the overall District tax rate for the 2018 tax year.

DISTRICT REGISTRATION FORM

Ms. Lutz stated the District is required to file an updated District Registration Form reflecting the new terms of office of the elected directors with the Texas Commission on Environmental Quality ("TCEQ"). After review and discussion, Director Mayson moved to authorize execution and filing of an updated District Registration Form reflecting the new terms of office and the new financial advisor information. Director Fyfe seconded the motion, which passed unanimously.

REPORT REGARDING DEVELOPMENT IN AND AROUND THE DISTRICT

Discussion ensued regarding the allocation of reuse water from the Fort Bend County Country Club.

Director Vrshek noted there are 290 lots to be sold in the District.

LANDSCAPING AND PARK MATTERS

There was no discussion on this item.

HIKE AND BIKE TRAIL; MASTER LICENSE AGREEMENT FOR HIKE AND BIKE TRAIL WITH CENTERPOINT

Ms. Lutz reported on CenterPoint's comments to the Master License Agreement. She then reported Caldwell Companies intends to install additional sidewalks in the CenterPoint easement to extend the District's walking trails. Ms. Lutz noted the Master License Agreement will need to be finalized and executed before the sidewalks can be installed. She then presented and reviewed a Consent to Encroachment Application to be submitted in connection with the Master License Agreement to add the additional Caldwell Companies walking trails to the Agreement. After review and discussion, Director Mayson moved to (1) approve the Master License Agreement with CenterPoint; (2) approve the Consent to Encroachment Application and approve ABHR to submit the Application to CenterPoint; and (3) direct the Agreement and Application be filed appropriately and retained in the District's official records. Director Coleman seconded the motion, which passed unanimously.

MAINTENANCE AND REPAIR OF DISTRICT FACILITIES

Discussion ensued regarding resident concerns and comments regarding the potential sidewalk along FM 762.

ENGINEERING MATTERS

Mr. Dechert presented and reviewed a Letter of No Objection to a residential landscaping encroachment request at 3402 Satin Lead Lane. A copy of the Letter is attached.

BOND RESOLUTION

The Board tabled action on this item.

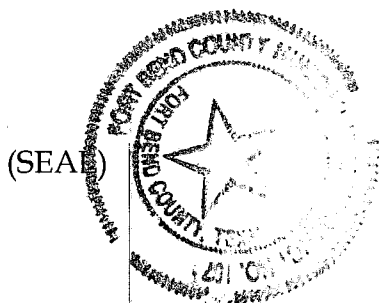
WEBSITE UPDATES

After discussion, the Board directed ABHR to coordinate with the District's website developer to include links to the City's Public Works and Customer Care Departments to the District's website, as well as a link to the City's website.

REPORTS FROM BOARD MEMBERS ON ATTENDANCE AT CONFERENCES, SPECIAL MEETINGS AND/OR SEMINARS, INCLUDING FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6 ("LID 6") MEETINGS

There was no discussion on this item.

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



Sam Mayo
Secretary, Board of Directors

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