

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 187

June 12, 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 12th day of June, 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: Stephanie Black of Del Webb Sweetgrass Homeowners Association ("HOA"); Rose Montalbano of F. Matuska, Inc.; Cathy Brittain-Drew of Assessments of the Southwest, Inc. ("ASW"); Ron Dechert of Costello, Inc. ("Costello"); Julie Peak of Masterson Advisors, LLC; Todd Johnson of Caldwell Companies; Crystal Horn of McGrath & Co. PLLC ("McGrath"); and Angela Lutz and Veronica Seguin of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Mr. Black updated the Board on HOA matters.

MINUTES

The Board considered approving the minutes of the May 8, 2018, regular meeting. After review and discussion, Director Mayson moved to approve the minutes of the May 8, 2018, regular meeting, as presented. Director Fyfe seconded the motion, which passed unanimously.

DEVELOPER REIMBURSEMENT REPORT

Ms. Horn reviewed a developer reimbursement report for the amounts reimbursable CW Richmond, LP ("CW") for impact fees from certain surplus capital projects funds. The Board then considered authorizing the disbursement of the surplus capital projects funds proceeds as outlined in the developer reimbursement report, subject to an executed receipt by CW.

Ms. Horn responded to questions from Director Junek regarding the calculation of interest and interest rates in the reimbursement report.

Ms. Horn also presented and reviewed an evergreen engagement letter between the District and McGrath for preparation of the District's annual audits and necessary agreed-upon-procedures reports.

After review and discussion, Director Vrshek moved to (1) approve the developer reimbursement report, subject to the inclusion of a footnote regarding interest calculations, as discussed; (2) authorize disbursement of the funds detailed in the report to CW upon execution of the receipt by CW; and (3) approve the evergreen engagement letter between the District and McGrath 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.

Ms. Montalbano presented and reviewed a draft budget for the District for the fiscal year end July 31, 2019, a copy of which is attached to the bookkeeper's report. Discussion ensued regarding the District's repair and maintenance expenses.

After review and discussion, Director Coleman moved to approve the bookkeeper's report and pay the bills listed in the report. Director Fyfe seconded the motion, which passed unanimously. A copy of the bookkeeper's report is attached.

DISTRICT INSURANCE

The Board reviewed an insurance proposal from HARCO Insurance Services. Ms. Lutz noted the proposed general liability policy does not cover legal defense costs. After review and discussion, Director Mayson moved to approve the proposal for insurance from HARCO Insurance Services, for a premium of \$3,251, and direct that it be filed appropriately and retained in the District's official records. Director Fyfe seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Brittain-Drew presented and reviewed with the Board the tax assessor/collector's report, including the unpaid accounts roll, a copy of which is attached. The Board and Ms. Brittain-Drew discussed the status of certain tax accounts. Following discussion, Director Fyfe moved to approve the tax assessor/collector's report and pay the bills from the tax account. Director Junek seconded the motion, which passed by unanimous vote.

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTION OF DELINQUENT TAXES

Ms. Lutz explained that any delinquent tax accounts will be forwarded to the delinquent tax attorney starting July 1, 2018. After discussion, Director Coleman moved to authorize the District's delinquent tax attorney to proceed with collection of delinquent taxes starting July 1, 2018. Director Junek seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Ms. Lutz 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 18 new single family connections. It was noted that the City reported a total of 1,176 occupied single family connections through May 31, 2018. Director Vrshek noted there have been 1,153 home sales closed in the District to date.

Discussion ensued regarding the City's communications regarding conversion to a chloramines system and notification to new residents regarding the City's use of chloramines to treat surface water. Director Vrshek stated he will ask the City if and how they notify new system users of the City's conversion and use of chloramines. He noted the Pulte sales office is considering notifications to new residents regarding the City's use of chloramines.

The Board reviewed a flyer regarding the City Fire Department, a copy of which is attached.

After review and discussion, Director Fyfe moved to approve the operator's report. Director Mayson seconded the motion, which passed unanimously.

REPORT REGARDING DEVELOPMENT IN AND AROUND THE DISTRICT

Mr. Johnson updated the Board on the status of the dog park and the CenterPoint walking trail extension.

RESOLUTION AGREEING TO WAIVE REIMBURSEMENT OF CERTAIN FACILITIES

Ms. Lutz discussed the Agreement to Waive Reimbursement of Certain Park Facilities between the District and CW Richmond. She stated the Agreement provides CW Richmond will not seek reimbursement for the Del Webb Boulevard Nature Park or Lake 2 Park (Sunrise Park) projects in exchange for reimbursement of additional water, sanitary sewer, and drainage facility project interest. The Board concurred to table action on this item.

Discussion ensued regarding the ownership of the land adjacent to the entry fountain. Director Vrshek noted certain stones near the water may be a slip hazard.

Ms. Lutz stated she believed much of the adjacent land was in the public road right-of-way.

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 stated the Master License Agreement with CenterPoint has been finalized. She then reported Caldwell Companies intends to install additional sidewalks in the CenterPoint easement to extend the District's walking trails. She reviewed a potential route map for the proposed sidewalks and noted CenterPoint has provided certain comments as to the alignment of the sidewalks.

MAINTENANCE AND REPAIR OF DISTRICT FACILITIES

Director Vrshek presented and reviewed proposals from Frank's Nursery, Earthcare Management and Greenscape Associates in the amounts of \$1,021, \$1,406, and \$5,695, respectively, to repair erosion areas behind the home on 3242 Persimmon Grove. Copies of the proposals are attached. After review and discussion, Director Mayson moved to approve the proposal from Frank's Nursery and direct it be added as an exhibit to the District's Service Agreement with Frank's Nursery and filed appropriately and retained in the District's official records. Director Fyfe seconded the motion, which passed unanimously.

ENGINEERING MATTERS

There was no discussion on this item.

BOND RESOLUTION

Ms. Peak and Mr. Dechert discussed the next proposed water, sanitary sewer and drainage bond application and noted it is sized at approximately \$5,210,000. Ms. Lutz then presented and reviewed a Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Projects and Bonds. After review and discussion, Director Mayson moved to adopt the Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Projects and Bonds and direct it be filed appropriately and retained in the District's official records. Director Coleman seconded the motion, which passed unanimously.

WEBSITE UPDATES

The Board discussed potential additions to the District'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

After discussion, the Board concurred to authorize any interested directors to attend the Fort Bend County Infrastructure Conference on June 28, 2018. Ms. Lutz noted the next LID 6 meeting is June 25, 2018.

The Board discussed the results of the MUD 101 presentation given during the last HOA meeting.

NEXT MEETING DATE

The Board concurred to meet again on July 10, 2018.

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



Donna Coleman
Asst. Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes <u>Page</u>
Bookkeeper's report.....	2
Tax assessor/collector's report.....	2
Operator's report	3
Flyer regarding the City Fire Departmen.....	3
Proposals from Frank's Nursery, Earthcare Management and Greenscape Associates.....	4