

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 187

August 14, 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 14th day of August, 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.; Cathy Brittain-Drew of Assessments of the Southwest, Inc. ("ASW"); Brent Palermo of Costello, Inc. ("Costello"); Julie Peak of Masterson Advisors, LLC; Todd Johnson of Caldwell Companies; and Angie Lutz and Veronica Seguin of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

No public comments were received by the Board.

MINUTES

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

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. After review and discussion, Director Coleman 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.

2018 TAX RATE, PUBLIC HEARING DATE, AND NOTICE OF PUBLIC HEARING

Ms. Peak presented and reviewed a 2018 cash flow analysis and debt profile overview, copies of which are attached. She then discussed the cash flow analysis and recommended a total tax rate of \$0.89 per \$100 of assessed valuation. She advised against going too low in the range, because it would reduce the District's operating margin. She also noted unknown expenses may arise that would otherwise have to be financed from bond sales.

Discussion ensued regarding the Fort Bend County Levee Improvement District No. 6 ("LID 6") anticipated tax rate and future potential tax exemptions. Director Vrshek inquired as to the District's pro-rata share of LID 6 value. Ms. Peak stated she will coordinate with Director Vrshek on LID 6 tax rate and District pro-rata share calculations.

After review and discussion, Director Junek moved to (1) authorize the tax assessor/collector to publish notice of the District's intent to set a total tax rate of \$0.88 per \$100 of assessed valuation in the *Fort Bend Herald*; and (2) set the hearing to set the tax rate and publication of the tax rate hearing for September 11, 2018, at 12:30 p.m. Director Vrshek 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. Ms. Lutz noted the City's calculations of new taps and total taps in the District are incorrect in the operator's report. She stated ABHR will request a revised report from the City. Director Vrshek noted there have been 1,177 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 the City Manager has indicated the City will provide new District residents a notice regarding the City's use of chloramines.

REPORT REGARDING DEVELOPMENT IN AND AROUND THE DISTRICT AND LANDSCAPING AND PARK MATTERS

Ms. Lutz reviewed and exhibit of CenterPoint's proposed revisions to Caldwell Companies' proposed trail walking trail extension, a copy of which is attached. She noted CenterPoint has indicated it may conduct transmission line updates and construction on the overhead power lines within the next few years which would require the temporary removal of the proposed trail. Mr. Johnson stated Caldwell Companies will attempt to relocate as much of the proposed trail as possible out of the CenterPoint easement and into the adjacent Del Webb Section 10, Reserve C ("Reserve

C"). He then discussed the development of a possible pocket park in the southeast corner of Reserve C.

RESOLUTION AGREEING TO WAIVE REIMBURSEMENT OF CERTAIN FACILITIES

The Board tabled action on this item.

MAINTENANCE AND REPAIR OF DISTRICT FACILITIES

There was no discussion on this item.

ENGINEERING MATTERS

Mr. Palermo updated the Board on the status of the District's bond application and stated he will send a draft copy of the bond application report to the Board prior to submittal to the Texas Commission on Environmental Quality.

WEBSITE UPDATES

Director Fyfe updated the Board on updates and document retention schedules for the District's website.

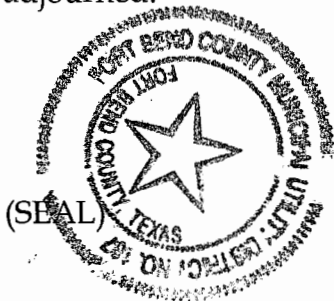
REPORTS FROM BOARD MEMBERS ON ATTENDANCE AT CONFERENCES, SPECIAL MEETINGS AND/OR SEMINARS, INCLUDING FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6 ("LID 6") MEETINGS

The Board discussed the Fort Bend County Flood Control meeting on the County floodplain mapping.

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 Mayson 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.

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

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