

MINUTES OF REGULAR MEETING
OF THE
BOARD OF DIRECTORS

May 17, 2017

THE STATE OF TEXAS §

COUNTY OF FORT BEND §

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 185 §

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 185 (the "District") met in regular session, open to the public, at 12:00 p.m., Wednesday, May 17, 2017, at 9 Greenway Plaza, Suite 1100, Houston, Texas 77046, a designated meeting place outside the boundaries of the District; whereupon, the roll was called of the members of the Board of Directors, to-wit:

Allen Thomas	President
Scott Donahue	Vice President
Wesley Noonan	Secretary
Al Menconi	Assistant Secretary
Terrell W. Berger	Assistant Secretary

All members of the Board of Directors were present, except Director Donahue thus constituting a quorum.

Also present at the meeting were Amy Symmank with Myrtle Cruz, Inc., the District's Bookkeeper; Nick Bailey of Brown & Gay Engineers, Inc., the District's Engineer ("BGE"); Richard Martin with Environmental Allies ("Environmental"); Breah Campbell and Bart Downum with Environmental Development Partners, L.L.C., ("EDP"), Operator for the District; Kristen Scott with Bob Leared Interests ("BLI"), the District's Tax Assessor/Collector ("TAC"); John Cannon, Attorney, and Tiffany Marquez, Paralegal with Coats|Rose, P.C. ("Coats|Rose"), the District's legal counsel.

Whereupon, the meeting was called to order. A copy of the notice of the meeting is attached hereto as Exhibit "A".

COMMENTS FROM THE PUBLIC

No comments were given.

CONSIDER ENGAGING AUDITOR FOR THE FISCAL YEARS ENDING JULY 21, 2017 AND 2018

The Board recognized Mr. Eyring who presented and outlined his engagement letter to conduct the District's audits for fiscal years ending July 31, 2017 and July 31, 2018. He requested the Board consider approving an increase of the Auditor's fees by \$350 from the two previous years. The audit fee for each fiscal year ending July 31, 2017 and 2018 will be in the amount of \$10,950. A copy of said engagement letter is attached hereto as Exhibit "B".

After consideration, upon a motion brought by Director Menconi, seconded by Director Noonan, the Board unanimously approved of the annual fee for fiscal years ending July 31, 2017 and 2018 in the amount of approximately \$10,950.

APPROVE MINUTES OF MEETING OF APRIL 19, 2017

The proposed minutes of the meeting held on April 19, 2017 previously distributed to the Board, were presented for consideration and approval. Upon a motion duly made by Director Thomas and seconded by Director Noonan, the Board voted unanimously to approve the minutes of the regular meeting of April 19, 2017.

RECEIVE PROPOSAL FROM DILL DESIGN WORKS FOR LANDSCAPING DESIGN SERVICES

Mr. Cannon recommended a site meeting with Mr. Dill to discuss the scope of services and potential proposal. Director Noonan stated he may want to acquire additional bids. No action was taken.

TAX ASSESSOR/ COLLECTOR REPORT

The Board recognized Ms. Scott who delivered the tax collection report, a copy of which is attached hereto as Exhibit "C". She noted that the District is 98.793% collected on its 2016 taxes.

After review and upon a motion by Director Noonan, second by Director Berger and the question being put to the Board, the Board voted unanimously to approve the tax collector's report.

BOOKKEEPER'S REPORT

The Board recognized Ms. Symmank who reviewed the bookkeeper's report, and payment of the bills listed therein. She reported that she received a request from Tompkins High School ("Tompkins") to receive the donation of \$5,000 the Board approved in October 2016. Director Noonan instructed Ms. Campbell to confirm that Tompkins had received their donation goal.

After review, upon a motion duly made by Director Noonan, and seconded by Director Menconi, the Board voted unanimously approved the bookkeeper's report, payment of the bills. A copy of the bookkeeper's report is attached hereto as Exhibit "D".

Consider amending District budget

Ms. Symmank presented and outlined a proposed amended budget, a copy of which is attached hereto as Exhibit "E". Upon a motion brought by Director Noonan, seconded by Director Berger, the Board unanimously voted to approve the proposed amended budget.

OPERATOR'S REPORT

The Board next recognized Ms. Campbell, who reviewed the Operator's report which includes the utility billing summary, accountability report, subsidence district report, North Fort Bend Water Authority ("NFBWA") report and the 30 day delinquent list for May 2017, a copy of which is attached hereto as Exhibit "F". Ms. Campbell reported that there are twenty-nine (29) delinquent accounts to consider for disconnection.

Substantial System Repairs and Maintenance:

- Installed residential taps and meters at three locations in the amount of \$1,350.00;
- Repaired Blower No. 1 at the wastewater treatment plant in the amount of \$4,831.21;

Lift Station No. 1 Automatic Transfer Switch

- The Operator requested authorization to replace the board in the control panel for the ATS for an estimated cost of \$4,332.00. A bad component was found during the annual power outage simulation.

Critical Load Facility List

- The Operator included a copy of the Critical Facility List to be provided to the District's retail electric provider, the State of Texas (TDEM) and Fort Bend County.

Consumer Confidence Report ("CCR")

- The Operator attached a draft copy of the 2016 CCR for review and approval. Ms. Campbell noted that the District is required to deliver a copy of the CCR to all bill paying customers prior to July 1st of each year.

Operator Service Agreement Amendment Request:

- Ms. Campbell will distribute a proposed amended service agreement for the Board's consideration. She stated the proposed rates reflect an approximate 11% increase, or 1.1% a year since beginning service ten years ago.

Delinquent Accounts and Service Terminations:

- A list of customers that received delinquent letters by mail and subject to disconnection of service is included in the operator's report.

Director Noonan inquired on the requirements for the District to qualify to be a superior water district. Ms. Campbell stated she would investigate the matter and report back to the Board

Consider amending District Rate Order to reflect amended Operator's contract

This matter was deferred.

After review, upon a motion brought by Director Noonan, seconded by Director Thomas, the Board unanimously voted to (i) authorize the Operator to replace the board in the control panel for the ATS for an estimated cost of \$4,332.00; and (ii) approve the Operator's report, including the water termination list.

HEAR ENVIRONMENTAL ALLIES REPORT AND CONSIDER ACTING THEREON

The Board recognized Mr. Martin who presented and reported on maintenance of the detention pond in the District, a copy of his report is attached hereto as Exhibit "G". No action was taken.

ENGINEER'S REPORT

The Board then recognized Mr. Bailey who reviewed the monthly Engineer's Report, a copy of which is attached hereto as Exhibit "H".

Authorize engineer to proceed with the design of District facilities

- No action.

Approve plans and specifications of District facilities

- No action.

Authorize engineer to advertise for bids for District projects

- No action

Approval of report, pay estimates, and change orders for construction projects in progress in the District

- No action.

Authorize construction contracts and related items

- The Emergency Water Interconnect with Harris-Fort Bend County Municipal Utility District No. 5. ("HFBCMUD5") – Mr. Bailey reported that eight bids were received on Tuesday, April 25, 2017. Canyon Construction Company, Inc.

("Canyon") submitted the lowest bid, with a total amount of \$127,303.92. Attached to the Engineer's report is a copy of the Engineer's recommendation of award letter and bid tabulation. Also, attached is a proposal from Tolunay-Wong Engineers in the amount of \$3,864.00 for materials testing services for the project.

- o Mr. Bailey requested the Board authorize said contract to be awarded to Canyon in the amount of \$127,303.92 and approve Tolunay-Wong's proposal in the amount of \$3,864.00 for materials testing services.

Review feasibility analysis for potential water reuse system

- No action.

After discussion, upon a motion brought by Director Noonan, seconded by Director Thomas, the Board unanimously (i) approved the Engineer's report; (ii) award Emergency Water Interconnect contract to Canyon in the amount of \$127,303.92; and (ii) approve Tolunay-Wong's proposal in the amount of \$3,864 for materials testing services.

DEVELOPER'S REPORT

No report was provided.

ATTORNEY'S REPORT

Discuss sale of property to NewQuest and approve Agreement between the District and NewQuest

Director Noonan requested NewQuest attend the District's next meeting to discuss the contract further.

This matter was deferred.


Mr. Cannon drew the Board's attention to the District's constable report and the WCA call log attached as Exhibit "I".

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

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PASSED, APPROVED AND ADOPTED this 21st day of June, 2017.

(DISTRICT SEAL)



Secretary, Board of Directors