

MINUTES OF REGULAR MEETING
OF THE
BOARD OF DIRECTORS

June 21, 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, June 21, 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 Directors Thomas and Donahue thus constituting a quorum.

Also present at the meeting were Felix DeLeon WCA Waste Corporation; Adam Cohen of Robert W. Baird & Co, Financial Advisor for the District; Simon VanDyk of Triton; Juanita Orsak with Pulte Homes, a developer of property within the District (the "Developer"); Amy Symmank with Myrtle Cruz, Inc., the District's Bookkeeper; Nick Bailey of Brown & Gay Engineers, Inc., the District's Engineer ("BGE"); Richard Martin and Lakeita Sanders 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

The Board recognized Mr. VanDyk who invited the Board to attend a social event with neighboring districts hosted by his company, Triton.

Next, the Board recognized Mr. DeLeon who reported on a complaint related to a driver not separating recycle items from regular trash items. He stated that WCA is investigating the matter.

CONSIDER ENGAGING AUDITOR TO CONDUCT REIMBURSEMENT AUDIT IN CONNECTION WITH THE UNLIMITED TAX BOND SERIES 2017 BOND ISSUANCE

Mr. Cannon recommended engaging the auditor to prepare a Reimbursement Audit to the developer in connection with the proposed bond issuance. After discussion, upon a motion brought by Director Noonan, seconded by Director Berger, the Board unanimously voted to engage the District auditor to prepare a Reimbursement Audit in connection with the proposed bond issuance.

REVIEW AND APPROVE DRAFT OF PRELIMINARY OFFICIAL STATEMENT ("POS"); AUTHORIZE FINANCIAL ADVISOR TO ADVERTISE SALE OF BONDS; CONSIDER AUTHORIZING DISTRICT CONSULTANTS TO TAKE ANY AND ALL ACTION NECESSARY TO PROCEED WITH THE ISSUANCE OF BONDS

Mr. Cohen, who presented for the Board's review and approval the financial advisor's report, and a draft of the Preliminary Official Statement for the upcoming 2017 Bond Issuance. Upon a motion by Director Noonan and seconded by Director Menconi, the Board voted unanimously to (i) approve the financial advisor's report, (ii) the draft of the Preliminary Official Statement, and (iii) authorize the financial advisor to advertise of the sale of Bonds. A copy of the financial advisor's report is attached hereto as Exhibit "B" and shall be considered a part of these minutes.

APPROVE MINUTES OF MEETING OF MAY 17, 2017

The proposed minutes of the meeting held on May 17, 2017 previously distributed to the Board, were presented for consideration and approval. Upon a motion duly made by Director Noonan and seconded by Director Berger, the Board voted unanimously to approve the minutes of the regular meeting of May 17, 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. 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.

Ms. Scott presented a letter from a resident requesting a payment plan to pay her 2016 delinquent tax bills for sixteen (16) months. Upon a motion brought by Director Menconi, seconded by Director Noonan, the Board unanimously voted to approve said resident's request for a sixteen month payment plan for 2016 delinquent taxes.

After review and upon a motion by Director Berger, second by Director Noonan 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.

After review, upon a motion duly made by Director Menconi, and seconded by Director Noonan, 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

This matter was deferred.

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 June 2017, a copy of which is attached hereto as Exhibit "E". Ms. Campbell reported that there are thirty-three (33) delinquent accounts to consider for disconnection.

Substantial System Repairs and Maintenance:

- Installed residential taps and meters at twenty-three locations in the amount of \$10,955.00;
- Installed irrigation tap and meter at one location in the amount of \$2,500.00

Lift Station No. 1 Automatic Transfer Switch

- The Operator requested authorization to replace the board in the control panel for the ATS. This repair is in process.

Emergency Generator Rental Agreement

- As part of the District's facility emergency preparedness, EDP recommended the District enter into an agreement with NTS to secure a rental generator for the

District's Lift Station No. 3 for a cost of \$400 per month for the months of June through November.

- o Director Noonan requested the operator investigate the cost for the purchase of a generator.

Consumer Confidence Report ("CCR")

- The annual CCR approved at the May meeting will be mailed to the District's customers on their next water bill.

Water Well Performance Test:

- GM Services completed the performance testing of the District's water well. There were no problems noted during the inspection included in the operator's report.

Superior Water Rating Status:

- EDP has submitted a request to the TCEQ to be considered for "Superior" status.

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 noted that the water has a chlorine odor. 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 secure a standby rental generator for the District's Lift Station No. 3 for a cost of \$400 per month for the months of June through November, 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 "F". 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 "G".

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

- The Emergency Water Interconnect with Harris-Fort Bend County Municipal Utility District No. 5. (“HFBCMUD5”) :
Contractor: Canyon Construction Company
Contract Amount: \$127,303.92
No pay estimate this month

Authorize construction contracts and related items

- No action

Review feasibility analysis for potential water reuse system

- A technical memo detailing the Engineer’s analysis is attached to the report

Mr. Bailey noted that a Sonic has requested a utility commitment from the District. After discussion, upon a motion brought by Director Noonan, seconded by Director Berger, the Board unanimously approved (i) the Engineer’s report; and (ii) the utility commitment as requested by Sonic.

DEVELOPER’S REPORT

The Board recognized Ms. Orsak who updated the Board on Pulte’s development.

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 “H”.

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

PASSED, APPROVED AND ADOPTED this 19th day of July, 2017.

(DISTRICT SEAL)




Secretary, Board of Directors