

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

JUNE 21, 2019

THE STATE OF TEXAS §

COUNTY OF FORT BEND §

FORT BEND COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 3 §

The Board of Directors (the "Board") of Fort Bend County Water Control and Improvement District No. 3 (the "District") noticed a regular session, open to the public, to be held on Friday, June 21, 2019, at 11:30 a.m., at 503 FM 359, Suite 118, Richmond, Texas, a designated meeting place outside the boundaries of the District. Whereupon, at 11:30 a.m., the meeting was called to order and the roll was called of the members of the Board, to-wit:

Ann Heil	-	President
Gloria Couch	-	Vice President
Chayo Huff	-	Secretary
Richard Wasser	-	Assistant Secretary
Scott Douthitt	-	Assistant Secretary

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

Also present at the meeting were Greg Dubiel of Municipal Operations and Consulting, Inc. ("MOC"), Operator for the District; Lina Loaiza of Bob Leared Interests, Tax Assessor/Collector for the District; Christina Cole of Myrtle Cruz, Inc. ("MCI"), Bookkeepers for the District; Trey Schneider of PBK, Engineers for the District; and Joshua J. Kahn of Sanford Kuhl Hagan Kugle Parker Kahn LLP ("SK Law"), Attorney for the District.

HEAR FROM PUBLIC

The Board noted that no public wished to address the Board.

MINUTES FOR THE MAY 17, 2019, MEETING

The proposed minutes of the meeting of the Board held May 17, 2019, previously distributed to the Board, were presented for consideration and approval.

Upon motion by Director Huff, seconded by Director Wasser, and after full discussion, the Board voted unanimously to approve the minutes for the meeting held on May 17, 2019, as submitted.

TAX ASSESSOR/COLLECTOR'S REPORT

The Board recognized Ms. Loaiza, who reviewed with the Board the Tax Assessor/Collector Report for the month of May 2019, a copy of which is attached hereto. Ms. Loaiza noted that the District's 2019 preliminary assessed value is \$122,191,770, up approximately 4% over the 2018 certified value.

Upon motion by Director Douthitt, seconded by Director Wasser, and after full discussion, the Board voted unanimously (1) to approve the Tax Assessor/Collector Report, and (2) to authorize payment of the tax checks listed therein.

BOOKKEEPER'S REPORT

The Board recognized Ms. Cole, who submitted to and reviewed with the Board the Bookkeeper's Report and certain invoices for payment by the District. Mr. Cole also presented a proposed budget for fiscal year ending July 31, 2020.

Upon motion by Director Douthitt, seconded by Director Wasser, and after full discussion, the Board voted unanimously to (1) approve the Bookkeeper's Report; and (2) authorize payment of the checks listed therein. The Board noted that the 2020 budget will be adopted at the July Board meeting.

OPERATOR'S REPORT

The Board recognized Mr. Dubiel who presented the Operator's Report for the month of May 2019, a copy of which is attached. Mr. Dubiel discussed the fire hydrant painting, noting that the cost was a little more than anticipated, and requested authorization up to \$2,000 to paint the fire hydrants.

Upon motion by Director Douthitt, seconded by Director Huff, and after full discussion, the Board voted unanimously to (1) approve the Operator's Report; and (2) authorize fire hydrant painting in an amount not to exceed \$2,000.

The board next discussed repair/replacement of the fence around Water Plant #1, noting that the wood fence runs around 3 sides of the Plant, but only 1 side is currently in need of repair. The Board discussed whether all 3 sides should be replaced, noting that the proposal for replacement is \$50,000. Mr. Schneider stated that the proposal should include using galvanized posts (rather than wood), with the posts being buried at least 3 feet. Director Wasser noted that the HOA will reimburse the District 50% of the costs for the 2 sides of the fence that are adjacent to homes in the District.

Upon motion by Director Douthitt, seconded by Director Wasser, and after full discussion, the Board voted unanimously to authorize an amount not to exceed \$50,000 for replacement of the 8-foot fence along 3 sides of Water Plant #1, using schedule 40 galvanized steel posts, subject to the HOA reimbursing the District 50% of the costs of replace the 2 sides of the fence adjacent to homes in the District.

ENGINEER'S REPORT

The Board recognized Mr. Schneider, who submitted to and reviewed with the Board the Engineer's Report, as follows:

- Chloramine conversation bids have been solicited from 3 contractors (estimated cost is \$50,000-\$60,000);
- updated the Board on the possibility of purchased reclaimed water from Pecan Grove MUD, and contacted the City of Richmond to see if the City would offer any credits for construction of a reclaimed water system, and to see if the City would have any issues with the District purchasing reclaimed water from Pecan Grove MUD;
- updated the Board on several other projects in the District.

Upon motion by Director Wasser, seconded by Director Douthitt, and after full discussion, the Board voted unanimously to approve the Engineer's Report.

WEBSITE REPORT

Mr. Kahn reviewed with the Board the website report for the period May 1 – May 31, 2019.

The Board noted that no action was necessary in connection with the website report.

ATTORNEY'S REPORT

Legislative Update

The Board recognized Mr. Kahn, who provided a brief update on the status of legislation passed during the 86th legislative session which could impact the District.

COMMENTS FROM BOARD MEMBERS

Director Heil discussed the AWBD conference she attended about communications with residents, and discussed (1) forming a committee to handle communications; and (2) implementing a text alert system.

Upon motion duly made and seconded, and after full discussion, the Board voted unanimously to form a Communications Committee, consisting of Directors Heil and Couch, to determine additional communication strategies to be implemented by the District.

Director Wasser tendered his resignation, pending the sale of his home in the District on June 27.

There being no further business to come before the Board, upon motion made, seconded, and approved unanimously, the meeting was adjourned.

PASSED, APPROVED AND ADOPTED, this 19th day of July, 2019.




Secretary, Board of Directors