

**MINUTES OF REGULAR MEETING OF
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 25,
OF FORT BEND COUNTY, TEXAS**

November 18, 2021

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 25, of Fort Bend County, Texas (the "District"), met in regular session, open to the public, on the 18th day of November, 2021, at a regular meeting place thereof, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Beth Murany	President
Vacant	Vice President/Assistant Secretary
Glenn Farley	Assistant Vice President
Escoto Thomas	Secretary/Investment Officer
Brian Addicks	Assistant Secretary

and all of said persons were present, during all or a portion of the meeting, thus constituting a quorum.

Also present during all or a portion of the meeting were Leonela Ruvalcaba, Executive General Manager; Mary Moore Hayes (by Zoom), Executive Assistant General Manager/Board Liaison; Dominique Reddick, Director of Financial Services; Tyler Bridges, Construction and Maintenance Manager; Terrie Sechrist of Sechrist-Duckers LLP, attorneys for the District; Chris Canonico (by Zoom) and Hector Pena of Ardurra Group, LLC ("Ardurra"), engineers for the District; Daniel Nguyen, Information Technology ("IT") Department; David Patterson (by Zoom) of Assessments of the Southwest ("ASW"), tax assessor-collector for the District; Ben Cohen of Belt Harris Pechacek, LLP ("BHP"), auditor for the District; Lieutenant Deputy Rodney Rodriguez of the Fort Bend County Sheriff's Office; and Dan and Tracee Turner, residents of the District.

MINUTES

The Board first considered approval of the minutes of its regular meeting held on October 28, 2021. After discussion, Director Murany made a motion to approve the minutes of the October 28, 2021, Board meeting, as presented. Director Farley seconded the motion and it carried unanimously.

PUBLIC COMMENTS

No comments from the public were received.

DEVELOPER'S REPORT

No report was received from a developer of land in the District.

AUDITOR'S REPORT

Mr. Cohen then presented the District's Annual Financial Report for the fiscal year ending September 30, 2021 (the "Audit"). After discussion, Director Murany moved that the Board (i) accept the Audit, subject to review by District staff and the District's attorney, and (ii) authorize the filing of same in accordance with SEC Rule 15c2-12. The motion was seconded by Director Farley and carried by unanimous vote.

TAX ASSESSOR/COLLECTOR'S REPORT

Mr. Patterson then presented the Tax Assessor/Collector's Report for October 2021 (the "Tax Report"), a copy of which is attached hereto as Exhibit "A". He reported that 99.77% of the District's 2019 taxes and 99.33% of the District's 2020 taxes had been collected as of October 31, 2021.

After discussion, Director Murany moved that the Board (i) accept the Tax Report, and (ii) authorize payment of all disbursements listed on the Tax Report or otherwise presented at the meeting. The motion was seconded by Director Addicks and carried by unanimous vote.

DELINQUENT TAX ATTORNEY'S REPORT

Ms. Ruvalcaba next presented the Delinquent Tax Attorney's Report prepared by Larson & Weisinger, a copy of which is attached hereto as Exhibit "B". She stated that Larson & Weisinger is still in the process of updating its report on a recent dive by of the delinquent commercial tax accounts.

After discussion, a motion was made by Director Murany, seconded by Director Addicks and unanimously carried, to accept the Delinquent Tax Attorney's Report.

ENGINEER'S REPORT

Mr. Pena next presented the District Engineer's Report prepared by Arduura (the "Engineer's Report"), a copy of which is attached hereto as Exhibit "C". He first informed the Board that bids are due on December 9, 2021, for the Wastewater Treatment Plant Nos. 1 and 2 centrifuge and blower rehabilitation project.

A. Permit Amendments and renewals

Mr. Pena stated that he had no information to report under this agenda item.

B. Capacity analysis

Mr. Pena stated that he had no information to report under this agenda item.

Mr. Pena stated that he had no information to report on this agenda item.

Grant or consent to easements over District property

J.

Mr. Pena stated that he had no information to report on this agenda item.

to be constructed for or on behalf of the District

Grant or accept site and/or easement conveyances for facilities constructed or

I.

Mr. Pena next presented Pay Application No. 4 from National Works, Inc. ("National Works") in the amount of \$26,185.92 for the sanitary sewer cleaning and CCTV inspection project (the "Sanitary Sewer CCTV Project"). He informed the Board that Ardurra recommends approval of this Pay Application.

Mr. Pena next presented Pay Application No. 4 and Final from Faraday Engineering LLC ("Faraday") in the amount of \$26,914.50 for the lift station control panels replacement project (the "Control Panels Replacement Project"). He informed the Board that Ardurra recommends approval of this Pay Application.

current construction projects within the District

Approve and/or concur in the approval of pay estimates and change orders on

H.

Mr. Pena stated that he had no information to report under this agenda item.

other facilities within the District

Authorize and/or concur with the design, advertisement for bids and/or award of contracts for the construction of water, sanitary sewer and drainage or

G.

Mr. Pena stated that he had no information to report under this agenda item.

Developer projects, new development and requests for service

F.

Mr. Pena stated that he had no information to report under this agenda item.

Coordination of projects with Project Management Engineer

E.

Mr. Pena stated that he had no information to report under this agenda item.

Construction of non-capital projects

D.

Mr. Pena stated that he had no information to report under this agenda item.

Bond application reports

C.

Ms. Sechrist stated that she had no information to report under this agenda item.

B. Approval of utility commitment letters

Ms. Sechrist stated that she had no information to report under this agenda item.

A. Consider requests for annexation of land into the District and authorize all appropriate action, including acceptance of annexation petitions from landowners, execution of petitions to the City of Houston for consent to annexation, adoption of Order(s) Adding Land into the District and approval of Amendment to District Information Form

Ms. Sechrist next presented the Attorney's Report. She first presented an Order Regarding the Sale of District Surplus Personal Property (the "Order";) Ms. Ruvalcaba informed the Board that two older trucks are surplus property.

ATTORNEY'S REPORT

After discussion, Director Murany made a motion to: (i) accept the District Engineer's Report; (ii) approve Pay Application No. 4 and Final from Faraday in the amount of \$26,914.50 for the Control Panels Replacement Project; and (iii) approve Pay Application No. 4 from National Works in the amount of \$26,185.92 for the Sanitary Sewer CCTV Project. Director Farley seconded the motion, which passed unanimously.

Mr. Pena stated that he had no information to report on this agenda item.

O. Reimbursement and payment options

Mr. Pena stated that he had no information to report on this agenda item.

N. Evaluation planned to determine status of storm drainage systems

Mr. Pena stated that he had no information to report on this agenda item.

M. Procedures planned for remediation and recovery

Mr. Pena stated that he had no information to report on this agenda item.

L. Review summary of pending projects, including the status thereof

Mr. Pena stated that he had no information to report on this agenda item.

K. Review status of the developments within the District

Mr. Bridges then presented the monthly Field Operations Report, a copy of which is attached hereto as part of Exhibit "D". He reported that the safety violation listed on the report was discussed at last month's meeting.

Mr. Bridges then stated that National Works is smoke testing the storm sewer lines in Oak Lake Court and, upon completion, will begin smoke testing the storm sewer lines in Stratford Park.

- (i) Overall Field Operations Report;
- (ii) Illegal Hookups and/or violations of the District's Rate Order;
- (iii) Construction, Engineering and project updates;
- (iv) Other Operations issues;
- (v) General Operations issues;
- (vi) General construction issues;
- (vii) Detention and outfall updates; and
- (viii) OLIF items, including pocket park status.

A. Operations and Projects Reports, including:

GENERAL MANAGER'S REPORT

After further discussion, Director Murany made a motion to (i) accept the Attorney's Report, and (ii) approve the Order. Director Farley seconded the motion, which carried by a unanimous vote.

Ms. Sechrist stated that she had no information to report on this agenda item.

F. Adopt amendments to the District's Rate Order

Ms. Sechrist stated that she had no information to report on this agenda item.

E. Approval of the audit of reimbursements to be made to a developer from the proceeds of the sale of the District's Bonds

Ms. Sechrist stated that she had no information to report on this agenda item.

D. Approval of resolutions to the Texas Commission on Environmental Quality regarding the release of escrowed funds, the use of surplus funds or a change in use of funds

Ms. Sechrist stated that she had no information to report on this agenda item.

C. Approval of developer reimbursement agreements

Mr. Reddick next reported that a twelve-month certificate of deposit was purchased from Industry State Bank for \$500,000 at a 0.70% interest rate. After discussion, a

receivable.

Mr. Reddick next presented the bookkeeper's report, a list of bills presented for payment, a summary of the District's budget and expenditures, and the investment report prepared in accordance with the Public Funds Investment Act (collectively, the "Bookkeeper's Report"). A copy of the Bookkeeper's Report is attached hereto as Exhibit "F". He informed the Board that there are no outstanding accounts

- (i) Approve the District Bookkeeper's Report, the Investment Report and other Financial Reports and payment of bills

D. Financial Services Report, including:

Mr. Nguyen stated that he had no information to report under this agenda item.

- (i) Fixed Network Update (meter reads and analytics); and
- (ii) Other Information Technology related items.

C. Information Technology Reports and other information to include:

Ms. Ruvalcaba next presented the Billings and Collections Report. The Board then conducted a hearing regarding water and sewer service terminations. She informed the Board that the customers on the list attached hereto as Exhibit "E" (the "Termination List") were delinquent in the payment of their utility bills and were given written notification at least seven (7) days prior to the meeting of the opportunity to appear before the Board to explain, contest, or correct their utility service bills and to show reason why utility service should not be terminated for reason of nonpayment. After discussion, a motion was made by Director Murany to terminate water service to those accounts on the Termination List that have not been paid in accordance with the District's Rate Order or an approved payment plan after the Thanksgiving holiday. Director Addicks seconded the motion, which carried unanimously.

- (i) Conduct hearing and authorize termination of water service to delinquent accounts;
- (ii) Review of customer communications regarding billing issues;
- (iii) Consider Rate Order issues; and
- (iv) Consider other actions or issues associated with billing.

B. Billings & Collections Report, including:

After discussion, a motion was made by Director Murany to accept the Field Operations Report. Director Farley seconded the motion, which carried by unanimous vote.

motion was made by Director Murany to accept the Bookkeeper's Report. The motion was seconded by Director Farley and carried by unanimous vote.

F. Human Resources, Operations Group Goals, Policies and General Policy matters, including:

- (i) Update, review and approve, if appropriate, Policy Manuals, SOPs, etc.;

Ms. Ruvalcaba stated that she had no information to report on this agenda item.

- (ii) Any other matters deemed appropriate and related to overall Administrative items, Human Resources, etc.

Ms. Ruvalcaba stated that she had no information to report on this agenda item.

F. Risk Management Policies, Regulatory Compliance Matters, Standard Operations Procedures (SOPs), Red Flag Policies, Safety Reports, Group Goals and other related administrative items, including:

- (i) Approve SOPs presented;

Ms. Ruvalcaba next presented the Standard Operating Procedure for the Water Conservation Rebate Program (the "Water Rebate SOP").

- (ii) Approve any policy changes and/or amendments;
- (iii) Ongoing training items;
- (iv) Community Projects and Communication;

Ms. Ruvalcaba informed the Board that the Food Drive pick-up will occur tomorrow.

- (v) Risk Management items.

Ms. Ruvalcaba that she had no information to report on this agenda item.

After discussion, a motion was made by Director Murany to approve the Water Rebate SOP. The motion was seconded by Director Addicks and carried by unanimous vote.

The Board next considered reorganizing the Board. After discussion, the Board concurred that Director Murany will serve as President, Director Farley will serve as Vice President/Assistant

The Board next considered appointing a person to fill the current director vacancy. Mr. Turner discussed his work and personal background with the Board and expressed his interest in serving as a Director. After discussion, a motion was made by Director Murany to appoint Dan Turner to serve in the vacant director position and accept his Statement of Elected/Appointed Officer, Affidavit of Appointed Director, Official Bond, Election Not to Disclose Certain Information, and Oath of Office. The motion was seconded by Director Farley and carried by unanimous vote.

OTHER MATTERS

After discussion, a motion was made by Director Murany to the Executive Management Reports. The motion was seconded by Director Addicks and carried by unanimous vote.

Ms. Hayes next informed the Board that flyers describing the District's 2021 projects will be distributed in the January water bills. She then reported that she and Mr. Canonico have begun discussing possible modifications to the District's storm drain system over the next five to seven years to account for subsidence and rainfall.

- (i) General legal items;
- (ii) General engineering items;
- (iii) General project items; and
- (iv) Future/Strategic Planning Issues (overall)
- (v) Annual results of Group Goals for October 1, 2020 – September 30, 2021.

H. Executive Management Reports to include Financial/Budget, Group Goals, Strategic, Legal, Engineering, Project and Future Strategic Planning updates, including:

After discussion, a motion was made by Director Murany to accept Landscaping, Grounds and Building Maintenance report. The motion was seconded by Director Addicks and carried by unanimous vote.

Mr. Bridges next presented the Landscaping, Grounds and Building Maintenance report. He also stated that the fence at Water Well No. 1 was installed.

- (i) General building items; and
- (ii) General landscape and grounds items.


G. Building Maintenance and Landscaping/Grounds Maintenance Items, including:

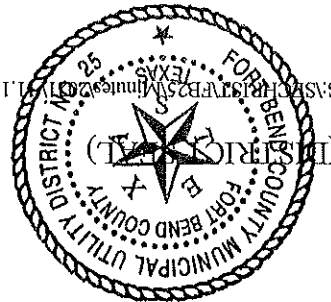
Secretary, Director Thomas will serve as Assistant Vice President, Director Addicks will serve as Secretary/Investment Officer, and Director Turner will serve as Assistant Secretary.

Ms. Sechrist then informed the Board that a revised District Registration Form will need to be filed with the Texas Commission on Environmental Quality (the "TCEQ") to reflect the appointment of Director Turner and the reorganization of the Board. After discussion, Director Murany moved that the Board authorize the District's attorney to prepare an updated District Registration form for filing with the TCEQ. Director Farley seconded the motion, which carried unanimously.

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

PASSED, APPROVED, and ADOPTED this 16th day of December, 2021.


Secretary, Board of Directors



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6	bookkeeper's report
6	penalty register
5	operations report
2	engineer's report
2	delinquent tax attorney's report
2	tax assessor/collector's report

Minutes
Page

LIST OF ATTACHMENTS