

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 116

January 7, 2025

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 116 (the "District") met in regular session, open to the public, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, on the 7th day of January, 2025, and the roll was called of the members of the Board:

Chad Millis	President
Dallas Duffy	Vice President
Angela W. Riley	Secretary
Dr. John Knight	Assistant Secretary
Jesse Matthews	Assistant Vice President

and all of the above were present except Director Riley, thus constituting a quorum.

Also attending the meeting in person or via teleconference were David Bettminton of Alliance Residential; Ryan Fortner of Revenue Management Services; Dan McDonald of McDonald & Wessendorff ("M&W"); David Beyer of Storm Water Solutions, LLC; Daenon Russell of Touchstone District Services ("Touchstone"); Isabel Mata of Wheeler & Associates, Inc.; Mary Ann Mihills of Municipal Accounts & Consulting LP; Rick Marriott of Si Environmental LLC ("Si"); Asim Tufail of Blackline Engineering, LLC ("Blackline"); and Adisa Harrington and Kathryn Mercado of Allen Boone Humphries Robinson LLP ("ABHR").

Ms. Harrington noted that while this is an in-person meeting of the Board, certain consultants and/or members of the public are attending by teleconference.

PUBLIC COMMENT

Ms. Harrington opened the meeting for public comments. There being no further comments from the public, Ms. Harrington closed public comments.

CONSENT AGENDA

The minutes of the November 22, 2024, special meeting, December 3, 2024, regular meeting, and consultant reports were provided in advance of the meeting. After discussion, Director Duffy moved to approve the following consent items: (1) the minutes of the November 22, 2024, special meeting, and December 3, 2024, regular meeting, as submitted; (2) financial and bookkeeping matters; (3) accept the disclosure statements as presented and authorize they be appropriately filed; (4) tax assessment and collection matters; (5) the City of Richmond operations report; and (6) direct that, where appropriate, items are filed appropriately and retained in the District's official records. Director Matthews seconded the

motion, which passed unanimously. Copies of all reports approved as part of the consent agenda are attached.

ITEMS REMOVED FROM CONSENT AGENDA

There were no items removed from the consent agenda.

PHASE II SMALL MS4 GENERAL PERMIT AND STORM WATER MANAGEMENT PLAN ("SWMP")

Mr. Beyer updated the Board on the District's SWMP. He distributed and reviewed the year 6 annual report for the SWMP and a summary of the year 6 training and goals under the SWMP, copies of which are attached. He presented a utility bill insert regarding yard waste, hazardous waste, and pet waste, a copy of which is also attached.

Mr. Beyer began his training session with the Board and other consultants. He stated the topic of the year 6 training is stormwater pollution prevention, the minimum control measures, and bacteria-specific elements. Mr. Beyer explained the importance of keeping household hazardous waste, pet waste, and yard waste out of the storm sewers, to prevent adding to bacterial impairment. He then continued with the training, thoroughly explaining the sources of bacteria and outlining the program elements of the SWMP that deal with these sources.

Mr. Beyer reported that the Texas Commission on Environmental Quality has completed the technical review of the permit application and SWMP and has made the preliminary decision to approve the District's permit.

Following review and discussion, Director Duffy moved to approve the year 6 annual SWMP report and the utility bill insert. Director Knight seconded the motion, which passed unanimously.

COORDINATION WITH HOMEOWNERS ASSOCIATIONS ("HOA")

Ms. Harrington reviewed contribution request letters from the Canyon Gate at the Brazos Owners Association ("CGBOA"), Lakes of Williams Ranch Owners Association ("LWROA"), and Brazos Gardens Homeowners Association ("BGHOA"), copies of which are attached. Ms. Harrington stated that no response was received from the Brazos Village Homeowners Association. Ms. Harrington then reviewed a 2024 Owners Association Pro Rata Share Analysis Summary Table ("Pro Rate Share Analysis") prepared by the District's financial advisor, a copy of which is attached.

Discussion ensued regarding the amount budgeted for the District's annual HOA contributions and whether to increase the amount for the current fiscal year.

Following review and discussion, Director Duffy moved to approve HOA contributions in the total budgeted amount of \$125,000 based on the taxable value percentages presented in the 2024 Owners Association Pro Rata Share Analysis Summary Table prepared

by the District's financial advisor. Director Millis seconded the motion. The motion passed by a vote of 3 to 1, with Directors Millis, Duffy, and Matthews voting in favor, and Director Knight voting against.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS

Ms. Mihills requested Board authorization for additional check no. 8892 in the amount of \$4,969.19, payable to Blackline.

Ms. Harrington discussed sending a letter to the Texas Commission on Environmental Quality ("TCEQ") regarding use of surplus capital project funds for the emergency repairs to lift station no. 2.

After review and discussion, Director Matthews moved to: (1) approve the additional check, as detailed above; and (2) authorize execution and submission of a surplus funds notification letter to the TCEQ, as discussed, and direct that the letter be filed appropriately and retained in the District's official records. Director Duffy seconded the motion, which passed unanimously.

The Board tabled action on amending the District's budget.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Mata updated the Board on the current tax collections. She then requested Board authorization for additional check no. 5355 in the amount of \$2,041.37, payable to District resident Lim Siaw Hui for a tax refund. After review and discussion, Director Matthews moved to approve the additional check, as detailed above. Director Knight seconded the motion, which passed unanimously.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Ms. Harrington reported on the District's compliance activities during the prior calendar year related to bond financing. She stated that no corrective action is required at this time.

INSURANCE POLICIES

Mr. McDonald reviewed the renewal insurance proposal from M&W. Discussion ensued and Mr. McDonald noted that the premium for the District's property insurance coverage has decreased. Following discussion, the Board concurred to void check no. 8857 to M&W for the District's insurance renewal premium and reissue a replacement check reflecting the revised premium amount at the next meeting. After review and discussion, Director Knight moved to renew the District's insurance with M&W. Director Matthews seconded the motion, which passed unanimously.

Director Knight moved to renew the District's insurance with M&W. Director Matthews seconded the motion, which passed unanimously.

OPERATOR'S REPORT

Mr. Marriott reviewed the operator's report with the Board, including monthly repair and maintenance items, as outlined in the report. A copy of the operator's report is attached. He stated the water accountability for the last billing period was 95.48%.

Mr. Marriott discussed resident correspondence regarding the manhole located in front of 6003 Country Ridge Drive. The Board concurred to authorize Director Duffy, Mr. Marriott, and Mr. Tufail to conduct an onsite visit.

Mr. Marriot discussed increasing the security deposits. He then stated that Si will prepare an analysis of the current 50-day billing cycle as compared to a 30-day billing cycle to be presented at the February meeting. The Board tabled action on amending the Rate Order.

Mr. Marriott presented a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting, of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment.

Following review and discussion, Director Knight moved to: (1) approve the operator's report; (2) authorize termination of delinquent accounts, in accordance with the District's Rate Order; and (3) direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Matthews seconded the motion, which passed unanimously.

ADDITIONAL HOA MATTERS

Ms. Harrington reviewed contribution amounts based on taxable value percentages presented in the Pro Rata Share Analysis. Discussion ensued and the Board concurred to clarify the contribution amounts to each homeowners' association. After review and discussion, Director Duffy moved to approve: (1) a Letter Agreement with CGBOA to contribute \$89,250.00 in budgeted District operating funds to CGBOA; (2) a Letter Agreement with LOWROA to contribute \$28,600.00 in budgeted District operating funds to LOWROA; and (3) a Letter Agreement with BGHOA to contribute \$7,150.00 in budgeted District operating funds to BGHOA, with checks for such contributions to be issued at the February 2025 Board meeting subject to receipt of executed Letter Agreements from all associations. Director Millis seconded the motion, which passed unanimously.

ACCURATE METER PROPOSALS

The Board discussed a proposal in the amount of \$182,780.00, submitted by Accurate Meter & Supply, for a pilot program for the installation of commercial meters and 5 residential meters in the District. A copy of the proposal is attached. The Board concurred to table action and requested that Accurate provide an updated proposal containing all non-single family meters at the February meeting.

ENGINEER'S REPORT AND ANNEXATION MATTERS

Mr. Tufail presented and reviewed the engineer's report, a copy of which is attached.

Mr. Tufail provided an update regarding the District Facilities Fence Repair. He reported that the projected substantial completion date is July 4, 2025.

Mr. Tufail provided an update regarding the lift station no. 2 emergency repairs. He stated that the project is substantially complete. He reported that the contractor is addressing the punchlist items.

Mr. Tufail provided an update regarding the survey, topography, and design of water plant no. 2.

Mr. Tufail provided an update regarding the survey, topography, and design of the sanitary sewer force main headers upgrade.

Mr. Tufail provided an update regarding the survey, topography, and design of the Crabb River Road water line loop.

Mr. Tufail provided an update regarding the survey, topography, and design of the sanitary sewer lift station no. 5 and force main along Farm-to-Market Road 762 ("FM 762"). He reported that Blackline submitted the preliminary layout request to the Texas Department of Transportation, and that they will require traffic signal improvements to the intersection of Tara Road and Crabb River Road.

Mr. Tufail provided an update regarding the City's recent re-rating of the Wastewater Treatment Plant permit. He reported that the previous plant rating was 0.95 million gallons per day ("MGD"), and the new plant rating is 1.22 MGD. Ms. Harrington noted that she is in communication with the City's attorney regarding the Agreement.

Mr. Tufail provided an update regarding the pending land conveyances for the trail system.

Mr. Tufail provided an update regarding the 9er's Restaurant located at 6430 Sansbury Road, stating that Blackline is awaiting final approved plans.

Mr. Tufail provided an update on the pending annexation of a 17.5-acre tract along Crabb River Road for multi-family development.

Mr. Tufail provided an update on the pending annexation of an 8.7-acre tract along FM 762 and Williams Way for multi-family development. Mr. Bettminton requested a proposed timeline for the pending annexation.

Ms. Harrington discussed the pending annexations and entering into a Payment in Lieu of Taxes Agreements ("PILOT Agreements") with the developers of both parcels.

Mr. Tufail reported on the GIS System, stating that the latest work orders have been submitted.

Mr. Tufail stated that Blackline is preparing a 5-year update to the District Capital Improvement Plan.

Director Duffy left the meeting.

Following review and discussion, Director Knight moved to: (1) approve the engineer's report; and (2) enter into PILOT Agreements with the developers of the parcels to be annexed, as a requirement for annexation of the tracts into the District. Director Millis seconded the motion, which passed unanimously.

The Board tabled action on the annexation petitions.

DISTRICT WEBSITE AND COMMUNICATION MATTERS

Ms. Russell reviewed Touchstone's monthly communications report, a copy of which is attached.

Ms. Russell reported that Touchstone will post the pool inspections and garbage notices on the District website.

CONVENE IN EXECUTIVE SESSION


The Board did not convene in executive session.

The Board concurred to hold the next meeting on February 4, 2025, at 12:00 p.m.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.

(SEAL)




Secretary, Board of Directors

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