

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 206

July 11, 2023

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 206 (the "District"), met in regular session, open to the public, on the 11th day of July, 2023, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Robin Stoner	President
Amy Rozell	Vice President
Sandra Weider	Secretary
Kathrin Yokubaitis	Assistant Secretary
Cheryl A. Kainer	Assistant Vice President/Assistant Secretary

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

Also present at the meeting were: Mary Ann Mihills of Municipal Accounts & Consulting, L.P.; Debbie Arellano of Bob Leared Interests; Ryan Mapes of Si Environmental, LLC ("SiEnviro"); Mike Scott of Champions Hydro-Lawn, Inc. ("Champions"); Danielle Gonzalez and Jennifer Grimm of Odyssey Engineering ("Odyssey"); and Hannah Brook and Faye Simonds of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no public comments.

MINUTES

The Board considered approving the regular meeting minutes of June 13, 2023. After review and discussion, Director Stoner moved to approve the minutes as revised. Director Weider seconded the motion, which passed unanimously.

AUTHORIZE AUDITOR

The Board discussed authorizing McCall Gibson Swedlund Barfoot PLLC ("McCall") to perform the annual audit for fiscal year ending July 31, 2023. Ms. Brook noted an anticipated fee to conduct the audit for fiscal year ending July 31, 2023, at a cost not to exceed \$14,500.00. Following review and discussion, Director Stoner moved to authorize McCall to conduct the District's audit for the fiscal year ending July 31, 2023. Director Yokubaitis seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Mihills distributed and reviewed the bookkeeper's report and presented checks for payment to the Board, a copy of which is attached.

Ms. Mihills reviewed a budget for the fiscal year end July 31, 2024.

Ms. Brook stated that House Bill No. 2815, which became effective on June 18, 2023, sets the maximum water district director fees of office at the per diem amount set by the Texas Ethics Commission for members of the legislature. She noted that, pursuant to House Bill No. 2815, the current maximum amount for director fees of office is \$221.00, and going forward, the maximum amount automatically will be indexed for inflation.

Following review and discussion, Director Weider moved to: (1) approve the bookkeeper's report and payment of the bills; (2) adopt the budget for the fiscal year end July 31, 2024, as presented; and (3) approve payment of directors' fees of office at the new maximum amount allowed by law, effective as of June 18, 2023. Director Kainer seconded the motion, which passed unanimously.

DISCUSS ASSOCIATION OF WATER BOARD DIRECTORS SUMMER CONFERENCE

The Board discussed the Association of Water Board Directors ("AWBD") summer conference. Ms. Brook stated the AWBD winter conference will be held January 19 through January 20, 2023, in Dallas, Texas.

After review and discussion, Director Stoner moved to: (1) approve reimbursement of eligible expenses for the summer conference, which were submitted in accordance with the district's travel reimbursement guidelines; and (2) authorize all interested Directors to attend the AWBD winter conference. Director Yokubaitis seconded the motion, which passed by unanimous vote.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Arellano distributed the tax assessor/collector's monthly report, a copy of which is attached.

Ms. Brook discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. She reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developing District for the 2023 tax year.

Ms. Brook reported on legislation passed by the Texas Legislature to update the language for the Notice to Purchasers form that must be provided by persons proposing to sell or convey real property located in a water district. She said water districts that are required to maintain a website or have access to a website under Section 26.18, Tax Code, are also now required post their Notice to Purchasers on the applicable website. The Board then considered authorizing execution of an Amendment to Information Form reflecting the District's new form of Notice to Purchasers attached thereto. Ms. Brook explained that the District is required to file the Amendment to Information Form in the Official Public Records of Real Property of Fort Bend County and with the Texas Commission on Environmental Quality ("TCEQ").

Following review and discussion, Director Yokubaitis moved to: (1) approve the tax assessor/collector's report and the checks presented for payment; (2) adopt a Resolution Regarding Development Status for 2023 Tax Year establishing the District as a Developing district for the 2023 tax year, pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records; and (3) authorize execution of the Amendment to Information Form and to authorize filing with Fort Bend County and the TCEQ. Director Weider seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES; HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT ACCOUNTS

Mr. Mapes distributed and reviewed the operator's report, a copy of which is attached.

Mr. Mapes reported on routine maintenance and repair items in the District.

Mr. Mapes reviewed the Consumer Price Index ("CPI") adjustment affecting the labor and equipment rate contained in the District's agreement with SiEnviro. He reported that the CPI reflected a 5.5% increase from last year.

Mr. Mapes 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 Stoner moved (1) to approve the operator's report; and (2) that because the customers on the termination list were not present at the meeting to address the Board and had not submitted a written statement on the matter, to authorize the District's operator to proceed with termination of utility service for such customers in accordance with the District's Rate Order, and direct that

the customer termination list be filed appropriately and retained in the District's official records. Director Weider seconded the motion, which passed by unanimous vote.

STORM WATER FACILITIES MAINTENANCE AND OPERATIONS

Mr. Scott distributed and reviewed the monthly report on storm water facilities maintenance and operations for the District. A copy of the report is attached.

Mr. Scott reviewed a proposal for no parking signs to prevent parking on the rain gardens in the amount of \$650.00. Following discussion, Director Stoner moved to approve the monthly report and the proposal for no parking signs in the amount of \$650.00. Director Kainer seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Ms. Gonzalez reviewed the engineer's report, a copy of which is attached. She updated the Board on construction projects underway, as reflected in her report.

Ms. Gonzalez updated the Board on the District's Phase II MS4 Storm Water Management Plan. She requested authorization to insert a mailer in customer utility bills.

Ms. Gonzalez updated the Board on the TCEQ violation from 2020 and the proposed water plant treatment modifications.

Ms. Gonzalez updated the Board on the inspection of the inlets and detention ponds.

Ms. Gonzalez updated the Board on the Emergency Interconnect Agreement between the District and Fort Bend County Municipal Utility District No. 30.

Following review and discussion, Director Stoner moved to approve the engineer's report and authorize Odyssey to insert a mailer in customer utility bills. Director Yokubaitis seconded the motion, which passed by unanimous vote.

ATTORNEY'S REPORT

Ms. Brook reviewed a report prepared by ABHR regarding legislative matters pertaining to the 88th Regular Session of the Texas Legislature.

CONFIRM DATE AND TIME OF NEXT MEETING

The Board concurred to hold the next regular meeting on August 8, 2023, at 12:30 p.m.

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

/s/ Sandra Weider
Secretary, Board of Directors

(SEAL)



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