

MINUTES
PECAN GROVE MUNICIPAL UTILITY DISTRICT

June 25, 2019

The Board of Directors (the "Board") of Pecan Grove Municipal Utility District (the "District") met in regular session, open to the public, on the 25th day of June, 2019 at the Pecan Grove Baptist Church, 1727 FM 359, Richmond, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Ryan Yokubaitis	President
Stephen D. Crow	Vice President
G.E. "Buddy" Kluppel	Secretary
Jean Gobar	Assistant Secretary
Charles D. Bertrand	Assistant Vice President

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

Also present at the meeting were: residents of the District, some of which signed in and are listed on Exhibit A attached hereto; Breah Campbell, Russell Piper and Cheryl Shafer of Environmental Development Partners, LLC ("EDP"); Karen Sears of Storm Water Solutions, LLC; Pat Naff of CDC Unlimited, LLC; Chief Joe Woolley and Howard Katz of Pecan Grove Volunteer Fire Department; Lieutenant Wayne Hastedt of the Fort Bend County Sherriff's Department; Justin Ring, Megan Crutcher and Phillip Huseman of Odyssey Engineering ("Odyssey"); Kathy Cruthirds of Tax Tech, Inc.; Marcus Campbell of Time & Season; Treacy Ware of Off Cinco; Christina Perry of Myrtle Cruz, Inc.; and Lynne Humphries, Hannah Brook, and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

REMARKS FROM THE BOARD PRESIDENT

Director Yokubaitis opened the public meeting at 5:30 p.m. and welcomed attendees.

COMMENTS FROM THE PUBLIC

Mr. Morgan reported a leaking fire hydrant across the street from his home and asked when repairs would be made.

Mr. Metcalf thanked the Board for adding construction project updates to the District website.

Mr. Waltz commented that he was working with Director Gobar to determine why patrol did not respond to an alarm at his home while he was on vacation.

Ms. Bench again requested the support of the Board and invited residents to attend a meeting of the Pecan Grove Homeowner's Association (the "HOA") and Fort Bend County Commission, Precinct 3, Andy Meyers, on July 18, 2019 at 7:00 p.m. at the PGVFD fire station on Pitts Road to discuss mobility and accessibility on streets in the District.

CONSENT AGENDA

Director Yokubaitis offered Board members the opportunity to remove items from the consent agenda for individual discussion. Director Kluppel moved to approve all items on the consent agenda. Director Bertrand seconded the motion, which passed by unanimous vote. Copies of all documents approved as part of the consent agenda are attached.

ITEMS REMOVED FROM CONSENT AGENDA

No items were removed from the consent agenda for discussion or action.

ADDITIONAL BOOKKEEPING ITEMS

Ms. Perry noted that check no. 1203 to Municipal Financial Services in the amount of \$1,800.00 approved at the April, 2019 Board meeting never cleared the bank. She said MCI placed a stop payment on the check and reissued payment as check no. 1284 in the bookkeeping report.

RESOLUTION NOMINATING WATER DISTRICT CANDIDATE FOR BOARD OF DIRECTORS OF FORT BEND CENTRAL APPRAISAL DISTRICT

Ms. Humphries reported that Mike Rozell has been nominated as a water district candidate for the Board of Directors of the Fort Bend Central Appraisal District. Following discussion, the Board took no action to nominate an additional candidate, but concurred to support Mike Rozell.

SECURITY AND PUBLIC SAFETY MATTERS

Chief Joe Woolley reported regarding fire protection in the District and PGVFD activity since the last Board meeting and presented a copy of the draft PGVFD budget for the Board's review.

Lieutenant Hastedt reported regarding District patrol and security since the last Board meeting.

DEVELOPMENT AND MAINTENANCE OF PARKS

The Board received a written parks report, a copy of which is attached, but there was no discussion.

STORMWATER SOLUTIONS REPORT

Ms. Sears reviewed Storm Water Solutions' report, a copy of which is attached, and reported regarding ongoing efforts to resolve electrical supply issues in Bullhead Slough and maintenance and repairs in Bullhead Slough. She reported that aerator no. 5 is not operational, but said that aerator nos. 1 and 4 are repaired and operational. Discussion ensued regarding bank sloughing and Director Yokubaitis requested that SWS keep Odyssey informed regarding bank conditions.

OPERATIONS OF DISTRICT FACILITIES

Mr. Piper reviewed the EDP operations report, a copy of which is attached, and which was provided in advance to the Board. Mr. Piper also discussed water accountability for the month of June, 2019 and said he would follow up regarding the earlier report of a leaking hydrant at 1619 Rambling Stone Drive.

Mr. Piper next discussed the status of previously approved repair and maintenance items and requested authorization to make the following repairs/replacements:

1. Purchase of a chemical pump communications hub at the surface water treatment plant for an estimated cost of \$6,000;
2. Replacement of the lab air conditioner at the surface water treatment plant for an estimated cost of \$5,800; and
3. Replacement of the backwash clarifier control panel vent at the surface water treatment plant for an estimated cost of \$5,400.

Discussion ensued regarding the performance of District pumps, channels and basins during a recent heavy rain event.

Following review and discussion and upon the recommendation of EDP, Director Kluppel moved to (1) approve the operator's report; and (2) approve the purchase and replacements listed above, as discussed. Director Bertrand seconded the motion which passed unanimously.

TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

The Board next conducted a hearing on the termination of utility service to delinquent accounts. Ms. Campbell reported that the residents on the delinquent list

provided to the Directors were mailed written notice prior to this meeting in accordance with the Rate Order, notifying them of the opportunity to appear before the Board to explain, contest or correct the utility service bill, and to show reason why utility service should not be terminated for reason of nonpayment. Director Kluppel moved that, because the customers on the termination list were not present at the meeting to address the Board, and did not submit a written statement on the matter, utility service for such customers should be terminated in accordance with the District's Rate Order. Director Bertrand seconded the motion, which passed unanimously.

ODYSSEY ENGINEERING MATTERS

Mr. Ring reviewed the Odyssey engineering report, a copy of which is attached and was distributed to the Directors in advance of the meeting. Mr. Ring and Ms. Crutcher provided an update regarding ongoing engineering and construction projects.

Discussion ensued regarding Odyssey's meeting with Fort Bend County to discuss the proposed alignment of the extension of Old Dixie Road and any potential impact construction of the extension might have on the District's levee.

Ms. Crutcher updated the Board regarding the plans to improve culverts on Mayweather Lane and requested authorization to advertise for bids for construction.

Ms. Crutcher also stated that bids were received for MCC update on Water Plant No. 2. Following discussion, the Board concurred to reject the bids received and authorize Odyssey to re-advertise for bids for construction of the project.

Discussion ensued regarding estimated costs and to construct a reclaimed water system and identifying other options for use of the District's water bond surplus. Following discussion, Director Kluppel moved to discontinue work on the proposed reclaimed system. Director Bertrand seconded the motion, which passed unanimously.

Discussion ensued regarding project bid schedules for the Jones Creek Slope Rehabilitation and mitigating liability exposure during construction.

Ms. Crutcher discussed the status of design of a proposed Main Channel Rehabilitation and requested authorization to advertise for bids for construction of the proposed improvements.

Ms. Crutcher next presented the District's annual municipal separate storm sewer system permit ("MS4") and requested authorization to submit the report to the Texas Commission on Environmental Quality ("TCEQ").

After review and discussion, and based upon Odyssey's recommendation, Director Crow moved to (1) approve the engineer's report; (2) authorize Odyssey

advertise for bids for construction of improvements to culverts on Mayweather Lane; (3) reject the bids received for MCC updates at Water Plant No. 2 and authorize Odyssey to re-advertise for bids for construction of the project; (4) authorize Odyssey to advertise for bids for construction of a proposed Main Channel Rehabilitation; and (5) authorize Odyssey to submit the District's MS4 permit report to the TCEQ. Director Kluppel seconded the motion, which passed by unanimous vote.

DISTRICT WEBSITE AND NEWSLETTER

Ms. Ware reviewed website usage reports. Discussion ensued regarding posting additional project information to the District website.

SURFACE WATER MATTERS AND REPORTS FROM DIRECTORS, COMMITTEES AND DISTRICT CONSULTANTS

Ms. Brook presented an offer from TreadStone Energy to purchase assignment of the District's 700-acre feet of water to the Gulf Coast Water Authority ("GCWA"). Following discussion, Director Kluppel moved to (1) accept TreadStone Energy's offer; and (2) authorize payment in the amount of \$50 to the GCWA to prepare the necessary documents to complete the assignment. Director Crow seconded the motion, which passed unanimously.

ATTORNEY'S REPORT

The Board took no action regarding the District's Beautification Agreement with the West Fort Bend Management District.

Discussion ensued regarding the Pecan Grove Property Owner's Association's (the "POA") request that the District take title to the park at the intersection of Plantation Drive and Windmill Drive. Ms. Humphries discussed an analysis of the existing encumbrances on the property. The Board concurred to defer discussion pending receipt of Time & Season's inventory of park equipment and report regarding general condition of the park and improvements needed.

Ms. Humphries presented a final Emergency Water Supply Agreement with Fort Bend County Municipal Utility Districts Nos. 134 D and 134E for the Board's approval and execution. Following review and discussion, Director Crow moved to approve the Emergency Water Supply Agreement and authorize execution. Director Kluppel seconded the motion, which passed unanimously.

EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

The Board determined that it was not necessary to convene in executive session.

There being no additional business to consider, the meeting was adjourned.


Secretary, Board of Directors



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