

**MINUTES OF THE MEETING OF
FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**

July 21, 2016

STATE OF TEXAS

COUNTY OF FORT BEND

The Board of Supervisors (the “Board”) of Fort Bend County Fresh Water Supply District No. 1 of Fort Bend County, Texas (the “District”), met in regular session, open to the public, on July 21, 2016, commencing at 6:00 p.m. at the Mustang Community Center, 4521 FM 521 North, Fresno, Fort Bend County, Texas, inside the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to wit:

Paul Hamilton	President
Greg Fleck	Vice President
Calvin Casher	Secretary
Rodrigo Carreon	Assistant Secretary
Rosa Linda Medina	Assistant Secretary

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

Also present at the meeting were: Breah Campbell with Environmental Development Partners (“EDP”), Operator for the District; Phyllis Herbst, the District’s Bookkeeper; Felipe Gonzalez Hernandez, the District’s Tax Assessor; Michael Gutierrez with Fort Bend County Precinct 1; members of the public, the names of which are on the attached attendance sheet; and Michael R. Willis of Sanford Kuhl Hagan Kugle Parker Kahn LLP (“SK Law”), the District’s Attorney.

The meeting was called to order and the following business was transacted.

1. BOOKKEEPER’S REPORT

The Board next considered the Bookkeeper’s Report presented by Ms. Herbst, a copy of which is attached hereto, and the invoices and checks presented for payment as follows:

A. Approval of Bills.

The Board reviewed the bills presented for payment.

B. Review Investment Report.

No Investment Report was given.

C. Review Collateral Pledge Report.

No Collateral Pledge Report was given.

Upon motion duly made by Supervisor Fleck, seconded by Supervisor Casher, the Board voted unanimously to (1) accept the Bookkeeper's Report as presented; and (2) authorize the payment of the checks and invoices listed therein

2. TAX REPORT

The Board next considered the Tax Report, presented by Mr. Hernandez.

Upon motion duly made by Supervisor Fleck, seconded by Supervisor Medina, the Board voted unanimously to approve the Tax Report, as presented.

3. ATTORNEY'S REPORT

The Board recognized Mr. Willis, who presented the Attorney's report as follows:

A. Approval of Minutes.

Proposed minutes of the regular meeting held on June 16, 2016 and special meeting held on June 30, 2016 were presented for approval. The Board deferred action on the minutes.

B. Report on Certificates of Convenience and Necessity ("CCNs").

Mr. Willis updated the Board concerning the Orbit CCN transfer application. No action was necessary in connection therewith.

C. Regional Plant Committee Report.

Supervisor Hamilton presented to the Board the Regional Plant Committee Report.

Upon motion duly made by Supervisor Fleck, seconded by Supervisor Medina, the Board voted unanimously to approve the Regional Plant Committee Report.

D. Regional Facilities Contract

No action was necessary in connection with the Regional Facilities Contract.

E. Five Year Financing Plan

No action was taken in connection with the Five Year Financing Plan.

F. Amend Rate Order

No action was taken in connection with the Rate Order.

G. Arbitrage Report

Mr. Willis then presented to the Board the Arbitrage Report compiled by Arbitrage Compliance Specialists on behalf of the District. In connection therewith, Mr. Willis presented proposals to prepare the ten year reports for the District's Series 2006A and 2006B Bonds.

Upon motion duly made by Supervisor Medina, seconded by Supervisor Carreon, the Board voted unanimously to approve the report and proposals.

H. Resolution Regarding Annual Review of Emergency Preparedness Plan

No action was taken in connection with the Emergency Preparedness Plan.

I. Electronic Payment Agreement with First Billing

No action was taken in connection with the Electronic Payment Agreement.

4. OPERATOR'S REPORT/TERMINATION OF SERVICE

The Board next recognized Ms. Campbell, who submitted to and reviewed with the Board the Operator's Report, a copy of which is attached hereto.

Ms. Campbell reported as follows:

- The District pumped a total of 6,356,000 gallons of water for the month.
- The District has 589 connections.
- The billed to pumped ratio was 72.9%.
- Ms. Campbell presented the final Consumer Confidence Report, as filed with the TCEQ.
- Ms. Campbell presented a list of write-offs to the Board in the amount of \$232.36.
- Supervisor Carreon inquired about issues at 1519 Trammel Fresno and 3719 Lissie.

A. Approval of Repairs to Water System.

Ms. Campbell noted that EDP completed the repair to Booster Pump No. 2 at the water plant, as approved at the May meeting.

Ms. Campbell requested the Board's authorization to repair Booster Pump No. 3 at the water plant, for a total cost of \$4,530, plus an estimated cost of \$800 in time and materials from EDP.

B. Approval of Requests for Water Taps.

Ms. Campbell reported that EDP installed residential taps and meters at two locations for a total of \$1,412.98.

C. Termination of Water Service.

Consideration was then given to the termination of water service to the delinquent accounts listed on the Termination List in the Operator's Report. The Board noted that there were no customers present at the meeting who wished to address the Board regarding their water bills or to protest termination of water service.

Upon motion duly made by Supervisor Fleck, seconded by Supervisor Casher, the Board voted unanimously (i) to authorize the Operator to terminate service to the accounts listed on the Termination List with the assistance of a peace officer, if necessary; (ii) approve the write-off list; (iii) approve the repair to Booster Pump No. 3; and (iv) approve the Operator's Report.

5. ENGINEER'S REPORT

In the absence of Mr. Dybala, no Engineer's Report was given.

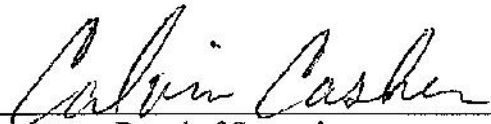
6. HEAR FROM THE PUBLIC

At this time, the Board opened the meeting to comments from the public.

There being no further business to come before the Board, upon a motion duly made and seconded, the Board voted unanimously to adjourn.

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PASSED, ADOPTED, and APPROVED this August 25, 2016.


Secretary, Board of Supervisors

