

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 142**Minutes of Special Meeting of Board of Directors****June 17, 2024**

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 142 (the "District") met in special session, open to the public on June 17, 2024, in accordance with the duly posted Notice of Special Public Meeting, and the roll was called of the duly constituted officers and members of the Board, as follows:

Randal L. Carter, President
John R. Morgan, Vice President
Ross Madia, Secretary
Philip Huseman, Assistant Secretary
James Cokinos, Assistant Secretary

all of whom were present, except Director Huseman, thus constituting a quorum. Director Huseman entered later in the meeting as noted herein.

Also attending the meeting were: Bradley Jenkins, Nolan Lambert and Tyler Mai of Quiddity Engineering, LLC ("Quiddity"); Wendy Duncan of Inframark, LLC ("Inframark"); Ashlie Whittemore of Wheeler & Associates, L.P. ("Wheeler"); Brandon West of Touchstone District Services ("Touchstone"); Mark Burton of Municipal Accounts & Consulting, L.P. ("MA&C"); Luis Cebrian of Champions Hydro-Lawn, Inc. ("CHL"); Kenneth Farrar of Best Trash, LLC ("Best Trash"); Romel Fernandez of KB Home Lone Star, Inc. ("KB"); Brian Krueger of Forvis Mazars, LLP ("Forvis"); and John Eichelberger III of Schwartz, Page & Harding, L.L.P. ("SPH").

The President called the meeting to order and declared it open for such business as might regularly come before the Board.

PUBLIC COMMENTS

The Board began by opening the meeting for public comments. There being no comments from the public, the Board proceeded to the next item of business.

APPROVAL OF MINUTES

The Board considered approval of the minutes of the Board meetings held on May 9, 2024, and May 13, 2024. Upon discussion, Director Madia moved that the minutes of the May 9, 2024, and May 13, 2024, meetings be approved as written. Director Cokinos seconded said motion, which unanimously carried.

ANNUAL CONSUMER PRICE INDEX ADJUSTMENT AND AMENDMENT OF DISTRICT'S RATE ORDER; REQUEST FOR ADDITIONAL INCREASE FROM BEST TRASH, LLC ("BEST TRASH")

Mr. Farrar presented to and reviewed with the Board a report regarding solid waste and recycling collection in the District and correspondence from Best Trash concerning its annual Consumer Price Index ("CPI") adjustment, copies of which are attached hereto as **Exhibit A**. He stated that the current rate of \$21.85 will increase to \$23.22 effective August 1, 2024, and will continue through July 2025. Upon discussion, Director Madia moved that: (i) the annual CPI adjustment be accepted, effective August 1, 2024, and (ii) the District's Rate Order be amended to increase the residential sanitary sewer flat rate to \$43.53, effective August 1, 2024, and that any and all prior Rate Orders be revoked as of said date. Director Cokinos seconded said motion, which unanimously carried. A copy of the amended Rate Order is attached hereto as **Exhibit B**.

BOOKKEEPER'S REPORT

Mr. Burton reviewed with the Board the Bookkeeper's Report dated June 17, 2024, a copy of which report is attached hereto as **Exhibit C**, and the disbursements presented for payment. After discussion, Director Madia moved that the Board approve the Bookkeeper's Report, and the disbursements presented for payment, as reflected in the Bookkeeper's Report. Director Cokinos seconded said motion, which unanimously carried.

ADOPTION OF OPERATING BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2025

Mr. Burton presented to and reviewed with the Board an operating budget for fiscal year ending June 30, 2025, a copy of which is attached hereto as **Exhibit D**. Upon discussion on the matter, Director Madia moved that the operating budget for the fiscal year ending June 30, 2025, be approved, as presented. Director Cokinos seconded said motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Whittemore reviewed with the Board the Tax Assessor-Collector Report dated as of May 31, 2024, and Delinquent Collections Listings, copies of which are attached hereto as **Exhibit E**. After discussion on the report, Director Madia moved that the report be approved and that the disbursements identified in the report be approved for payment. Director Cokinos seconded said motion, which carried unanimously.

DELINQUENT TAX COLLECTIONS REPORT

The Board deferred consideration of the Delinquent Tax Report from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., after noting that no report was received.

ENGINEERING REPORT

Mr. Jenkins presented to and reviewed with the Board a written Engineering Report dated June 12, 2024, a copy of which report is attached hereto as **Exhibit F**. Upon review and discussion of the Engineering Report, Director Madia then moved that all action items in the Engineering Report be approved. Director Cokinos seconded said motion, which unanimously carried.

UTILITY COMMITMENTS, OUT-OF-DISTRICT SERVICE, AND ANNEXATION

The Board deferred consideration of additional Utility Commitments, Out-of-District Service and/or Annexation requests after noting that no additional requests have been received.

ENGAGE AUDITOR FOR DISTRICT'S FISCAL YEAR ENDING JUNE 30, 2024

The Board considered engagement of an auditor to prepare the District's audit report for the fiscal year ending June 30, 2024. In connection therewith, Mr. Krueger presented and reviewed an engagement letter from Forvis, a copy of which is attached hereto as **Exhibit G**. He advised that the fee for the preparation of said audit is to be \$24,900 for the District's audit report plus an administrative fee of \$1,100. After discussion on the matter, Director Madia moved that: (i) the District engage Forvis to perform an audit of the District's records and prepare the District's audit report for the fiscal year ending June 30, 2024, (ii) the President be authorized to execute the engagement letter on behalf of the Board and District, and (iii) SPH be authorized to acknowledge the Texas Ethics Commission Form 1295 submitted by Forvis in connection therewith. Director Cokinos seconded said motion, which unanimously carried.

AMENDMENT TO DEVELOPMENT, FINANCING AND ANNEXATION AGREEMENT ("ANNEXATION AGREEMENT") FOR KB HOME LONE STAR, INC. ("KB")

The Board considered an Amendment to the Annexation Agreement with KB. Mr. Fernandez introduced himself to the Board and discussed KB's plans to expand Briscoe Falls. A discussion ensued regarding the methodology for calculation of reimbursement for eligible costs to KB to be used in connection with such annexation. The Board discussed the possibility of, upon annexation, adding KB's tract to its existing service area under its previous Utility Development Agreement. Upon discussion, the Board requested that Quiddity prepare a reimbursement analysis using the taxable value of the existing Briscoe Falls subdivision. The Board deferred action until a future meeting.

DETENTION AND DRAINAGE FACILITIES REPORT

Mr. Cebrian presented to and reviewed with the Board a report from CHL, a copy of which is attached hereto as **Exhibit H**. Upon review, the Board concurred that no action was required.

OPERATOR'S REPORT

Ms. Duncan presented to and reviewed with the Board the Operator's Report dated June 17, 2024, a copy of which report is attached hereto as **Exhibit I**. Upon discussion, Director Madia moved that the action items in the Operator's Report be approved, including termination of delinquent in accordance with the District's Rate Order. Director Cokinos seconded said motion, which unanimously carried.

The Board congratulated Ms. Duncan on her election as President of the Board of Trustees of the Association of Water Board Directors ("AWBD").

CRITICAL LOAD STATUS

Mr. Eichelberger advised that Section 13.1396 of the Texas Water Code, as amended, requires the District to update its information identifying the location and description of facilities that have qualified for critical load status and its information regarding emergency contacts (a) annually to each electric utility that provides transmission and distribution service to the District and each retail electric provider that sells power to the District, and (b) immediately upon any change in the information to the above entities, as well as to the office of emergency management of Fort Bend County, the Public Utility Commission of Texas, and the division of emergency management of the governor. Ms. Duncan advised that Inframark has provided the annual update and, if required, would provide any changes to the information to the appropriate entities. After discussion on the matter, Director Madia moved that Inframark be authorized to make such annual filings on behalf of the District. Director Cokinos seconded the motion, which unanimously carried.

COMMUNICATIONS REPORT

Mr. West presented and reviewed with the Board a Communications Report prepared by Touchstone, a copy of which is attached hereto as **Exhibit J**. No action was required by the Board at this time.

PARKS MASTER PLANNING REPORT

Director Carter and Director Morgan reported to the Board regarding parks master planning.

INFORMATION TECHNOLOGY COMMITTEE REPORT

The Board stated that the Director tablets are working well and thanked the Information Technology Committee for their efforts.

Director Carter then requested that all consultant reports for future Board meetings be provided to the Board at least 72 hours in advance of such future meetings.

WATER CONSERVATION COMMITTEE REPORT

The Board concurred that there was nothing new to report regarding the North Fort Bend Water Authority ("NFBWA") Water Provider Conservation Program.

OPERATIONS COMMITTEE REPORT

Director Madia and Director Huseman noted that they had nothing to report regarding the Operations Committee at this time.

NFBWA REPORT

Director Carter stated that he did not have anything additional to report to the Board regarding the activities of the NFBWA.

AWBD SUMMER CONFERENCE

The Board discussed topics addressed during the AWBD Summer Conference.

VOTING SYSTEM ANNUAL FILING FORM

The Board considered the completion, execution and filing with the Secretary of State's Office of a Voting System Annual Filing Form ("Form"). Mr. Eichelberger advised the Board that, pursuant to the Texas Election Code, each political subdivision in the State of Texas is required to complete and file said Form with the Secretary of State's Office annually. After discussion, Director Madia moved that SPH be authorized to complete the Form and file same with the Secretary of State's Office, as required by law. Director Cokinos seconded said motion, which unanimously carried.

CYBERSECURITY TRAINING AS REQUIRED BY CHAPTER 2054, TEXAS GOVERNMENT CODE

Mr. Eichelberger reminded the Board to complete its cybersecurity training prior to the August 31, 2024, deadline.

ATTORNEY'S REPORT

The Board considered the Attorney's Report. Mr. Eichelberger inquired as to the Board's interest in continuing the use of videoconference procedures for Board meetings. Upon discussion, the Board concurred to continue using videoconference procedures for future Board meetings.

CLOSED SESSION

The Board did not enter into Closed Session.

FUTURE AGENDA ITEMS

Other than as discussed earlier in the meeting and reflected above, there were no additional agenda items requested other than routine, ongoing matters. The Board noted that its next meeting would be July 11, 2024.

ADJOURNMENT OF MEETING

There being no further business to come before the Board, upon motion made by Director Cokinos, seconded by Director Madia and unanimously carried, the meeting was adjourned.



Ross Madia
Secretary, Board of Directors

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 142
LIST OF EXHIBITS TO MINUTES

June 17, 2024

- Exhibit A** **Best Trash Report and Annual Consumer Price Index
Correspondence**
- Exhibit B** **Rate Order**
- Exhibit C** **Bookkeeper's Report**
- Exhibit D** **Operating Budget for Fiscal Year Ending June 30, 2025**
- Exhibit E** **Tax Assessor-Collector's Report**
- Exhibit F** **Engineering Report**
- Exhibit G** **Audit Engagement Letter**
- Exhibit H** **Detention and Drainage Facilities Report; Proposal**
- Exhibit I** **Operator's Report**
- Exhibit J** **Communications Report**