

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 142

Minutes of Meeting of Board of Directors

March 14, 2024

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 142 (the "District") met in regular session, open to the public on March 14, 2024, in accordance with the duly posted Notice of 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 participated in the meeting via videoconference.

Also attending the meeting were: Bradley Jenkins, Nolan Lambert and Tyler Mai of Quiddity Engineering, LLC ("Quiddity"); Wendy Duncan of Inframark, LLC ("Inframark"); Isabel Mata of Wheeler & Associates, L.P. ("Wheeler"); Angie Hartwell of Touchstone District Services ("Touchstone"); Darrell Hawthorne of Municipal Accounts & Consulting, L.P. ("MA&C"); and John Eichelberger III of Schwartz, Page & Harding, L.L.P. ("SPH"). Jerry Schroeder of Champions Hydro-Lawn, Inc. ("CHL") participated in the meeting via telephone conference.

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 meeting held on February 8, 2024. Upon discussion, Director Madia moved that the minutes of the February 8, 2024, meeting be approved as written. Director Cokinos seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Mr. Hawthorne reviewed with the Board the Bookkeeper's Report dated March 14, 2024, a copy of which report is attached hereto as **Exhibit A**, 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.

EVO REPORT

Mr. Hawthorne presented to and reviewed with the Board its annual EVO Report, a copy of which is attached hereto as **Exhibit B**. Upon review, the Board concurred that no action was required.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Mata reviewed with the Board the Tax Assessor-Collector Report dated as of February 29, 2024, and Delinquent Collections Listings, copies of which are attached hereto as **Exhibit C**. 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. ("Perdue"), after noting that no report was received.

UNCLAIMED PROPERTY REPORT

The Board considered authorizing certain District consultants to research their files for unclaimed property being held by the District and authorizing the District's bookkeeper to prepare an Unclaimed Property Report as of March 1, 2024. Mr. Eichelberger advised the Board that the District's tax assessor-collector and operator, in addition to the bookkeeper, will review their records and provide the bookkeeper with a current listing of any unclaimed property in the District's accounts for preparation of an Unclaimed Property Report. He further advised the Board that the District's bookkeeper and/or tax assessor-collector will file the report, if necessary, with the State Comptroller of Texas and escheat any unclaimed funds to the State. After discussion on the matter, Director Madia moved that the District's tax assessor-collector and operator, in addition to the bookkeeper, be authorized to provide current listings of any and all unclaimed property to the bookkeeper and that, should any unclaimed property exist, the bookkeeper and/or tax assessor-collector be authorized to file an Unclaimed Property Report by July 1, 2024, with the State of Texas. Director Cokinos seconded said motion, which unanimously carried.

ENGINEERING REPORT

Mr. Jenkins presented to and reviewed with the Board a written Engineering Report dated March 12, 2024, a copy of which report is attached hereto as **Exhibit D**. Upon review and discussion of the Engineering Report, Director Madia then moved that (i) all action items in the Engineering Report be approved, and (ii) the Texas Commission on Environmental Quality's ("TCEQ") Phase II Small MS4 General Permit Year 5 Annual Report be approved, executed by the President and submitted by Quiddity to the TCEQ on behalf of the Board and District. Director Cokinos seconded said motion, which unanimously carried.

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. Upon discussion, Director Madia moved that Inframark and/or Quiddity be authorized to provide the annual update and, any changes to the information to the appropriate entities on behalf of District. Director Cokinos seconded said motion, which unanimously carried.

UTILITY COMMITMENTS, OUT-OF-DISTRICT SERVICE, AND ANNEXATION; DEVELOPMENT, FINANCING AND ANNEXATION AGREEMENT WITH KB HOME LONE STAR, INC. ("KB")

Mr. Jenkins reported that the status of the annexation feasibility study for the tract proposed for annexation by KB was addressed under the Engineering Report.

DETENTION AND DRAINAGE FACILITIES REPORT

Mr. Schroeder presented to and reviewed with the Board a report from CHL, a copy of which is attached hereto as **Exhibit E**. 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 March 14, 2024, a copy of which report is attached hereto as **Exhibit F**. Upon discussion, Director Madia moved that (i) the action items in the Operator's Report be approved, and (ii) 50% of the costs of cleaning out the tanks of the temporary wastewater treatment plant being transferred to Fort Bend County Municipal Utility District No. 229 ("No. 229"). Director Cokinos seconded said motion, which unanimously carried.

A discussion ensued regarding the filing of the District's 2023 Water Loss Audit to the Texas Water Development Board ("TWDB"), and filing of the District's Water Conservation Plan Annual Implementation Report with the North Fort Bend Water Authority ("NFBWA"). Upon review, Director Madia moved that Inframark be authorized to file the District's (i) 2023 Water Loss Audit with the TWDB, and (ii) Water Conservation Plan Annual Implementation Report with the NFBWA, on behalf of the Board and District. Director Cokinos seconded said motion, which unanimously carried.

Ms. Duncan presented to and reviewed with the Board a write-off report and recommended

writing off forty (40) accounts in the total amount of \$13,803.71. Upon discussion, Director Madia moved that the accounts presented, except for the builder accounts, be written off. Director Cokinos seconded said motion, which unanimously carried.

COMMUNICATIONS REPORT

Ms. Hartwell presented and reviewed with the Board a Communications Report prepared by Touchstone, a copy of which is attached hereto as **Exhibit G**. Upon review, the Board concurred that no action was required.

HOMEOWNERS ASSOCIATION STREET LIGHT SERVICE REQUEST

Director Madia reported to the Board regarding communications with the property owners associations for Westheimer Lakes, Briscoe Falls, and Creekside Ranch regarding their individual electricity and maintenance costs for street lighting, as well as any other relevant information. Upon discussion, the Board concurred to authorize its consultants to update the future financial projections to assess the feasibility of taking on costs for street lighting maintenance and anticipated parks and recreational facility maintenance lists.

PARKS MASTER PLANNING REPORT

The Board considered ratification of approval of a Right-of-Entry Agreement by and between the Westheimer Lakes Property Owners Association and the District for geotechnical engineering work to be performed on the 7.05 acre site anticipated to be used for a District park. Upon discussion, Director Madia moved that such Right-of-Entry Agreement be approved and ratified in all respects. Director Cokinos seconded said motion, which unanimously carried.

INFORMATION TECHNOLOGY COMMITTEE REPORT

Director Cokinos provided an update to the Board concerning information on technology matters. Upon discussion, the Board concurred that no action was required.

WATER CONSERVATION COMMITTEE REPORT

The Board deferred discussion of the NFBWA's Water Provider Conservation Program after noting that all necessary items were discussed under the Operator's Report.

OPERATIONS COMMITTEE REPORT

Director Huseman and Director Madia stated that they did not have anything additional to report to the Board.

NFBWA REPORT

Mr. Eichelberger stated that he did not have anything to report to the Board regarding the activities of the NFBWA.

REQUEST FOR PARTICIPATION IN SHARED SECURITY PATROL SERVICES WITH NO. 229

Mr. Eichelberger stated that there is no update at this time regarding the formulation of a desired security patrol plan with No. 229.

RENEWAL OF DISTRICT INSURANCE POLICIES

The Board considered the renewal of the District's insurance coverages scheduled to expire March 31, 2024. Mr. Eichelberger presented to the Board a proposal received from the District's current insurance carrier, Arthur J. Gallagher & Co. ("Gallagher"), a copy of which is attached hereto as **Exhibit H**. Upon discussion, Director Madia moved that the proposal received from Gallagher for the term ending March 31, 2025, be accepted, including approval of cyber liability coverage. Director Cokinos seconded said motion, which unanimously carried.

ATTORNEY'S REPORT

The Board considered the Attorney's Report. Mr. Eichelberger next presented to and reviewed with the Board a Yield Restriction/Yield Reduction Report for the Series 2017A Bonds and a Yield Restriction/Yield Reduction Report for the Series 2018 Bonds prepared by Arbitrage Compliance Specialists Inc., a copy of which is attached hereto as **Exhibit I**. Upon discussion, the Board concurred that the Yield Restriction/Yield Reduction Reports for the Series 2017A Bonds and Series 2018 Bonds be accepted.

SUPPLEMENTAL AGENDA

The Board considered cancellation of the Directors Election called for May 4, 2024. Mr. Eichelberger advised that, in accordance with Subchapter C, Chapter 2 of the Texas Election Code, the District may cancel the Directors Election if each candidate whose name is to appear on the ballot and/or has registered as a write-in candidate is unopposed as of 5:00 p.m. on February 16, 2024. In such case, the Board may declare the unopposed candidates to be elected. In that regard, there was presented to the Board a certificate of the Secretary declaring all candidates unopposed. Mr. Eichelberger then presented and reviewed the Order Declaring Candidates Elected, attached hereto as **Exhibit J**. After discussion, it was moved by Director Madia, seconded by Director Cokinos, and unanimously carried that the Order be adopted by the Board declaring John R. Morgan and Philip Huseman elected Directors of the District, each to serve a term of four years or until a successor is duly elected or appointed, that the President be authorized to execute and the Secretary to attest same on behalf of the Board and the District, and that the Directors Election called for May 4, 2024, be cancelled.

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.

ADJOURNMENT OF MEETING

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



Ross Madia
Secretary, Board of Directors

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

March 14, 2024

- Exhibit A Bookkeeper's Report**
- Exhibit B EVO Report**
- Exhibit C Tax Assessor-Collector's Report**
- Exhibit D Engineering Report**
- Exhibit E Detention and Drainage Facilities Report**
- Exhibit F Operator's Report**
- Exhibit G Communications Report**
- Exhibit H Arthur J. Gallagher & Co. Insurance Proposal**
- Exhibit I Yield Restriction/Yield Reduction Reports**
- Exhibit J Order Declaring Candidates Elected**