

MINUTES  
FULSHEAR MUNICIPAL UTILITY DISTRICT NO. 1 OF FORT BEND COUNTY

January 24, 2024

The Board of Directors (the "Board") of Fulshear Municipal Utility District No. 1 of Fort Bend County (the "District") met in regular session, open to the public, on the 24th day of January, 2024, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, with supplemental access for the public provided by telephone conference, and the roll was called of the members of the Board:

Brooks D. Tueting	President
John Verburg	Vice President
Ronald Catchings	Secretary
William K. White	Assistant Secretary/ Asst. Vice President
Todd Gnospelius	Assistant Secretary/ Asst. Vice President

and all of the above were present except Directors Gnospelius and White, thus constituting a quorum.

Also present at the meeting in person or via teleconference were Don and Jacqui Fryhofer and George Bright, residents of the District; Alex Khoshakhlagh of Pape-Dawson Engineers ("Pape-Dawson"); Bill Sweitzer of Sweitzer & Associates ("S&A"); Marissa Iguess of Myrtle Cruz, Inc.; Julie Peak of Masterson Advisors LLC; Shammari Leon of Bob Leared Interests; Dave Cannon of Trend Development, Inc.; Adam Swonke of Gleannloch Landscaping & Maintenance Company ("Glamco"); and Katie Carner, Allison Leatherwood, and Shammara Polk of Allen Boone Humphries Robinson LLP ("ABHR").

COMMENTS FROM THE PUBLIC

Mr. Fryhofer addressed the Board regarding correspondence sent and concerns previously discussed at the December 13, 2023, and other prior Board meetings regarding landscape maintenance behind Fulbrook on Fulshear Creek, Section 9. A copy of the correspondence is attached.

MINUTES

The Board considered approving the minutes of the December 13, 2023, regular meeting. Following review and discussion, Director Catchings moved to approve the minutes of the December 13, 2023, regular meeting, as presented. Director Tueting seconded the motion, which passed unanimously.

## DISTRICT WEBSITE MATTERS

Ms. Carner noted that winter weather preparedness tips were posted to the District's website and ABHR will have this removed from the District's website next month.

## ASSOCIATION OF WATER BOARD DIRECTORS CONFERENCES

The Board discussed the Association of Water Board Directors winter conference. Ms. Carner noted that Director White was going to attend the winter conference but was unable to do so. The Board then considered authorizing attendance at the summer conference. Following review and discussion, Director Catchings moved to authorize attendance of any interested Directors at the summer conference. Director Verburg seconded the motion, which passed unanimously.

## FINANCIAL AND BOOKKEEPING MATTERS

Ms. Iguess reviewed the bookkeeper's report, a copy of which is attached, including the monthly investment report and budget comparison, and the bills presented for payment from the District's accounts.

Ms. Carner stated that, in accordance with the Public Funds Investment Act, the District's bookkeeper and Investment Officer are required to execute disclosure statements annually which disclose certain relationships with banks or brokers who seek to sell investments to the District. She stated that the disclosure statements will be filed with the Texas Ethics Commission.

The Board conducted its annual review of the District's Investment Policy and determined that no changes were needed. Ms. Carner presented a Resolution Regarding the Annual Review of Investment Policy, reflecting no changes to the current Investment Policy.

The Board considered adopting a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions to update the list of qualified broker/dealers with whom the District may engage in investment transactions. Ms. Carner stated that the District's bookkeeper provided the updated list of broker/dealers, which is attached as Exhibit A to the Resolution.

Following review and discussion, Director Verburg moved (1) approve the bookkeeper's report and payment of the bills; (2) accept the disclosure statements and direct that the statements be filed with the Texas Ethics Commission and retained in the District's records; (3) adopt the Resolution Regarding Annual Review of Investment Policy and direct that the Resolution be filed appropriately and retained in the District's official records; and (4) to adopt the Resolution Establishing the Authorized Depository

Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions, with Exhibit A revised as discussed, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Tueting seconded the motion, which passed unanimously.

#### RENEWAL OF DISTRICT'S INSURANCE POLICIES

The Board reviewed a proposal from McDonald & Wessendorff Insurance for renewal of the District's insurance policies, effective March 10, 2024. Ms. Carner informed the Board that the property and boiler machinery coverage was included in the proposal for Lift Station No. 10 and that the policy will go into effect immediately. Following review and discussion, Director Verburg moved to approve the proposal for renewal of the District's insurance policies, including the property and boiler machinery coverage, as discussed, and direct that the proposal be filed appropriately and retained in the District's official records. Director Catchings seconded the motion, which passed unanimously.

#### TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Leon reviewed the tax assessor/collector's reports, a copy of which is attached. She reported that the District's 2023 taxes were 33.5% collected as of December 31, 2023.

Following review and discussion, Director Tueting moved to approve the tax assessor/collector's report and payment of the tax bills. Director Verburg seconded the motion, which passed unanimously.

#### ENGINEERING MATTERS

Mr. Khoshakhlagh reviewed the engineer's report, a copy of which is attached.

#### FULBROOK ON FULSHEAR CREEK, SECTION 11 WATER, SEWER, AND DRAINAGE FACILITIES

Mr. Khoshakhlagh updated the Board on the status of construction of the water, sewer, and drainage facilities to serve Fulbrook on Fulshear Creek, Section 11, as reflected in his report. Ms. Carner updated the Board regarding discussion from the December 13, 2023, Board meeting regarding the City wanting to construct a water line along James Lane to connect to the existing line on FM 1093 as a secondary source. She discussed correspondence sent to the City, as previously authorized by the Board. Ms. Carner stated that the City requested ABHR prepare an interlocal agreement for review.



### FULBROOK ON FULSHEAR CREEK, SECTION 11 PAVING FACILITIES

Mr. Khoshakhlagh updated the Board on the status of construction of the paving facilities to serve Fulbrook on Fulshear Creek, Section 11, as reflected in his report.

### FULBROOK ON FULSHEAR CREEK, SECTION 17 WATER, SEWER, AND DRAINAGE FACILITIES, INCLUDING LIFT STATION NO. 10

Mr. Khoshakhlagh updated the Board on the status of construction of the water, sewer, and drainage facilities to serve Fulbrook on Fulshear Creek, Section 17, as reflected in his report.

### EROSION PROTECTION ALONG FULSHEAR CREEK BANK

Mr. Khoshakhlagh updated the Board regarding bank erosion along Fulshear Creek, as reflected in his report.

### REQUEST FROM CITY OF FULSHEAR FOR JAMES LANE WATER LINE EXTENSION

There was no further discussion regarding this agenda item.

### PROPOSAL FROM HDR FOR IDENTIFICATION OF WETLANDS BOUNDARY IN FULBROOK ON FULSHEAR CREEK, SECTION 8

The Board continued discussion from the December 13, 2023, Board meeting regarding a proposal prepared by HDR to identify the wetland boundary in Fulbrook on Fulshear Creek, Sections 8 and 9 in the amount of \$24,000. Following discussion, the Board concurred not to move forward with the proposal.

### OTHER ENGINEERING MATTERS, INCLUDING RESIDENT REQUESTS

Mr. Khoshakhlagh updated the Board on discussion from the December 13, 2023, Board meeting regarding correspondence received pertaining to erosion concerns adjacent to District property east of Fulbrook on Fulshear Creek, Section 4 near Trickle Creek Court. Mr. Khoshakhlagh stated that Pape-Dawson's survey team is still working to determine the boundary line with Fulshear Municipal Utility District No. 2 ("Fulshear MUD No. 2"). Discussion ensued regarding the barbed wired fence belonging to Fulshear MUD No. 2 at the boundary near Valley Terrace Drive and the HOA's ongoing efforts to replace the fence.

Following review and discussion, Director Tueting moved to (1) approve the engineer's report; and (2) decline the proposal prepared by HDR, as discussed. Director Catchings seconded the motion, which passed unanimously.

DEEDS AND EASEMENTS, PHASE I ENVIRONMENTAL PROPOSALS, AND CONSENTS TO ENCROACHMENT OF EASEMENTS

There was no discussion on this agenda item.

UTILITY COMMITMENTS

There was no discussion on this agenda item.

UTILITY CONVEYANCE AND SECURITY AGREEMENTS

There was no discussion on this agenda item.

PARK PROJECTS

Mr. Sweitzer reviewed the landscape architect's report, a copy of which is attached.

Mr. Sweitzer updated the Board on the status of the Parkside Passage Recreation Center project, as reflected in his report. He stated that ownership of the portion of the Reserve to be used for construction of the pavilion and swimming pool needs to be conveyed to the HOA. Director Tueting inquired about the timeline for construction to begin for this project.

Mr. Sweitzer updated the Board on the status of the Landscape Development of Section 7, as reflected in his report. He requested authorization to advertise for bids for this project.

Mr. Sweitzer updated the Board on the status of the Greenway Enhancements of Perimeter Walls to serve Fulbrook on Fulshear Creek, Sections 5, 6, 7, and 19 including repair of damaged walls, as reflected in his report. He requested the Board authorize S&A to advertise for bids for the Greenway Enhancements of Perimeter Walls to serve Fulbrook on Fulshear Creek, Sections 5, 6, 7, and 19 including the repair of damaged walls.

Following review and discussion, and based on the landscape architect's recommendation, Director Tueting moved to (1) approve the landscape architect's report; (2) authorize S&A to advertise for bids for the landscape Development of Fulbrook on Fulshear Creek, Section 7; and (3) authorize S&A to advertise for bids for the Greenway Enhancements of Perimeter Walls to serve Fulbrook on Fulshear Creek, Sections 5, 6, 7, and 19 including the repair of damaged walls. Director Verburg seconded the motion, which passed unanimously.

## FINANCIAL AND BOOKING MATTERS CONT'D

Ms. Peak discussed the developer's request for the Board to consider a potential bond issue in 2024. She requested authorization to perform a capacity analysis for a potential bond issue. Following discussion, the Board concurred to authorize Ms. Peak to perform a bond capacity analysis.

## DISCUSS FLOCKING OF DISTRICT DETENTION FACILITIES AND AUTHORIZE APPROPRIATE ACTION

The Board considered the proposal for the dyeing of District detention facilities presented at the December 13, 2023, Board meeting, prepared by Lake Management Services, LP in the amount of \$3,470.00 for the initial application plus \$1,500 per month afterward. Following discussion, the Board concurred to decline the proposal at this time.

## MOWING AND MAINTENANCE OF DISTRICT PROPERTY

Mr. Swonke updated the Board on mowing and maintenance in the District.

The Board reviewed and discussed pending resident requests.

The Board discussed correspondence previously reviewed at the August 23, 2023, Board meeting from a resident on West Farm Way regarding a possible irrigation leak near the border of their yard and requesting the removal of a dead tree behind their residence. Mr. Sweitzer stated that a certified arborist examined the tree and other trees in the area and stated that two of the three hackberry trees were in good shape, and one was starting to show signs of rotting at the base of the tree, but the arborist determined there is no sign of an imminent hazard and does not recommend removal at this time. He reviewed and presented a proposal in the amount of \$1,400.00 prepared by The Davey Tree Expert Company ("Davey") for the removal of one hackberry tree should the Board like to move forward with the removal of the tree. A copy of the proposal is attached. Following discussion, the Board concurred not to move forward with the proposal. Mr. Swonke stated the bleeder swale was cut and recommended installing catch basins for the low area to drain properly. He reviewed and presented a proposal in the amount of \$2,890.00 to install catch basins. A copy of the proposal is attached. He stated Glamco will credit the District for the bleeder swale. Following discussion, the Board concurred to approve the proposal, as presented.

The Board discussed correspondence previously reviewed at the October 25, 2023, Board meeting from a resident on Founders Pecan Street regarding the clearing of overgrowth along their fence line. Mr. Swonke reviewed and presented a proposal in the amount of \$1,200.00 to clear and remove overgrowth along the residents' fence. A copy of the proposal is attached. Following discussion, the Board concurred to defer action until the next Board meeting.



The Board discussed correspondence previously reviewed at the October 25, 2023, Board meeting from a resident on Wild Garden Way regarding erosion concerns behind their residence. Mr. Swonke reviewed and presented a proposal in the amount of \$2,625.00 to regrade the area and lay two pallets of Bermuda grass. A copy of the proposal is attached. Following discussion, the Board concurred to approve the proposal.

The Board discussed correspondence previously reviewed at the April 26, 2023, Board meeting from a resident on Creekside Court regarding the cutting of vines on trees on District property. Mr. Sweitzer reviewed correspondence from a certified arborist regarding the removal of vines. A copy of the correspondence is attached. Mr. Swonke reviewed and presented a proposal in the amount of \$6,750.00 for the removal of vines adjacent to that portion of the creek. A copy of the proposal is attached. Following discussion, the Board concurred to decline the proposal and to continue with the current approved maintenance.

The Board reviewed correspondence from a resident on Sunny Meadow Drive requesting the removal of broken tree limbs. A copy of the correspondence is attached. Mr. Swonke stated that it is currently too wet, and the removal will most likely take place closer to the summer.

Following review and discussion, Director Verburg moved to (1) approve the proposal in the amount of \$2,890.00, as discussed; and (2) approve the proposal in the amount of \$2,625.00, as discussed. Director Catchings seconded the motion, which passed unanimously.

#### REPORT ON DEVELOPMENT

Mr. Cannon updated the Board on development in the District.

#### ATTORNEY'S REPORT

##### RESOLUTION ESTABLISHING POLICIES AND PROCEDURES FOR REQUESTS FOR RIGHT OF ENTRY ONTO DISTRICT PROPERTY

Ms. Carner reviewed and presented a Resolution Establishing Policies and Procedures for Requests for Right of Entry onto District Property (the "Resolution") to the Board. Following review and discussion, Director Verburg moved to approve the Resolution and direct that it be filed and retained in the District's official records. Director Tueting seconded the motion, which passed unanimously. The Board requested that the Resolution be posted on the District website.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Ms. Carner reported on the District's compliance activities during the prior calendar year related to bond financings. She stated that no changes to the policy are required at this time.

CITY OF FULSHEAR MATTERS

There was no discussion on this agenda item.

NORTH FORT BEND WATER AUTHORITY ("NFBWA") MATTERS

Ms. Carner informed the Board that a representative of the NFBWA will attend the February Board meeting to provide an update on the conversion to surface water for the City.

ADOPT RESOLUTION NOMINATING CANDIDATE TO SERVE AS A DIRECTOR ON THE BOARD OF DIRECTORS OF THE NORTH FORT BEND WATER AUTHORITY

The Board discussed a memorandum from the NFBWA regarding its 2024 director nomination process. Following review and discussion, Director Tueting moved to adopt a Resolution Nominating Candidate to Serve as a Director on the Board of Directors of the NFBWA, reflecting the District's nomination of Dana Hollingsworth, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Verburg seconded the motion, which passed unanimously.

APPROVE COMPLETION AND SUBMITAL OF WATER USAGE REPORTING FORM TO THE NORTH FORT BEND WATER AUTHORITY

Ms. Carner stated that the City would complete the required reporting.

COMMENTS FROM THE PUBLIC CONT'D

Mr. Fryhofer addressed the Board regarding landscape maintenance behind Fulbrook on Fulshear Creek, Section 9 and proposed a meeting between the Board and District residents regarding the same. He acknowledged some residents are opposed to additional maintenance, and it is difficult to satisfy everyone.

Mr. Bright addressed the Board regarding landscape maintenance near Huggins Lake. He stated he understands the need for additional maintenance on the west side, but would like to see the wildlife habitat maintained on the east side.

Ms. Fryhofer addressed the Board regarding landscape maintenance behind



Fulbrook on Fulshear Creek, Section 9, and in other areas throughout the District.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 557.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER

The Board did not convene in Executive Session.

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



Secretary, Board of Directors

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