

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

March 23, 2022

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 23rd day of March, 2022, 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
Eugene R. Baker	Assistant Secretary/ Asst. Vice President
Todd Gnospelius	Assistant Secretary/ Asst. Vice President

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

Also present at the meeting were Jennifer Vossler of McCall Gibson Swedlund Barfoot PLLC ("McCall"); Adam Swonke of Gleannloch Landscaping & Maintenance Company ("Glamco"); Alex Khoshakhlagh of Costello, Inc. ("Costello"); Marissa Iguess of Myrtle Cruz, Inc.; Shammarie Leon of Bob Leared Interests; Julie Peak and Christine Crotwell of Masterson Advisors LLC ("Masterson"); Bill Sweitzer of Sweitzer & Associates ("S&A"); Dave Cannon of Trend Development, Inc.; and Katie Carner, Jennifer Ramirez, and Melissa Padilla of Allen Boone Humphries Robinson LLP ("ABHR").

COMMENTS FROM THE PUBLIC

There were no comments from the public.

MINUTES

The Board considered approving the regular meeting minutes of February 23, 2022. After review and discussion, Director Catchings moved to approve the regular meeting minutes of February 23, 2022, as presented. Director Tueting seconded the motion, which passed by a vote of 3-0, with Director Verburg abstaining.

DISTRICT WEBSITE MATTERS

There was no discussion on this agenda item.

APPROVE DEVELOPER REIMBURSEMENT REPORT FOR SERIES 2022 ROAD BONDS AND SUPPLEMENTAL REIMBURSEMENT REPORT FOR SERIES 2021 BONDS, AND AUTHORIZE DISBURSEMENT OF BOND PROCEEDS

Ms. Vossler reviewed a draft developer reimbursement report reflecting the amounts to be disbursed from surplus bond proceeds from the Series 2021 Bonds. She then reviewed a draft developer reimbursement report reflecting the amounts to be disbursed from the proceeds of the District's Series 2022 Road Bonds.

After review and discussion, Director Catchings moved to approve the developer reimbursement reports, subject to final review, and authorize the disbursement of the amounts shown in the final reimbursement reports. Director Verburg seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

The Board reviewed the bookkeeper's report, a copy of which is attached.

Ms. Iguess reviewed a draft budget for the fiscal year ending April 30, 2023, a copy of which is included in the bookkeeper's report. She requested the Board and consultants review the draft budget and provide any comments to her prior to the next Board meeting.

Following review and discussion, Director Tueting moved to approve the bookkeeper's report and payment of the bills. Director Verburg seconded the motion, which passed by unanimous vote.

Ms. Peak reported that a refunding opportunity is not available at this time.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Leon reviewed the tax assessor/collector's report, a copy of which is attached. Following review and discussion, Director Verburg moved to approve the tax assessor/collector's report and payment of the tax bills. Director Catchings seconded the motion, which passed by unanimous vote.

ENGINEERING MATTERS

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

EROSION REPAIRS BEHIND LEGEND CREEK DRIVE

Mr. Khoshakhlagh reviewed an exhibit of the proposed erosion remediation for the location behind Legend Creek Drive, a copy of which is attached to the engineer's report. The Board requested that Costello revise the

design to flatten the slope. Mr. Khoshakhlagh stated that Costello will bring a revised exhibit and a cost estimate for the Board's review at the next regular meeting.

EROSION REPAIRS BEHIND LAKE HILL FARM WAY

Mr. Khoshakhlagh reviewed an exhibit of the proposed erosion remediation for the area located behind one property on Lake Hill Farm Way, a copy of which is attached to the engineer's report. The Board requested that Costello revise the design to flatten the slope. Mr. Khoshakhlagh stated that Costello will bring a revised exhibit and a cost estimate for the Board's review at the next regular meeting.

Mr. Khoshakhlagh reviewed an exhibit of the proposed erosion remediation for the area located behind a second property on Lake Hill Farm Way, a copy of which is attached to the engineer's report. The Board requested that Costello revise the design to flatten the slope. Mr. Khoshakhlagh stated that Costello will bring a revised exhibit and a cost estimate for the Board's review at the next regular meeting.

Mr. Khoshakhlagh stated that Costello identified an additional area of erosion located behind a third property on Lake Hill Farm Way and reviewed an exhibit of the proposed erosion remediation for the area, a copy of which is attached to the engineer's report. Mr. Khoshakhlagh recommended that this erosion repair be combined with the other erosion repairs behind Lake Hill Farm Way.

The Board requested the bookkeeper add a line item to the draft budget for erosion repairs in the amount of \$200,000.

OTHER ENGINEERING MATTERS

Mr. Khoshakhlagh stated that the City of Fulshear ("City") installed two "No Truck Turn Around" signs at the turn-around on Fulshear Trace.

Mr. Khoshakhlagh stated that the City informed Costello that the rip-rap placed at three District outfalls into Fulshear Creek, east of the Fulshear Trace Bridge, has been displaced and requires repair. He stated that Costello obtained a proposal from Hurtado Construction Company ("Hurtado") in the amount of \$3,750 for the rip-rap repair.

Mr. Khoshakhlagh stated that the City informed Costello that a resident reported debris along the north high bank of Fulshear Creek adjacent to Fulbrook on Fulshear Creek, Section 3. Director Verburg stated that someone has cut a trail in the area and is using it as a dump site. Mr. Swonke stated that that Glamco

could remove the trash and debris for an estimated cost of \$750. The Board requested ABHR to inform the City police department of the situation.

Mr. Khoshakhlagh reported on correspondence received from a resident regarding the drainage swale behind Lodge Lake Drive, a copy of which is attached to the engineer's report. After discussion, the Board took no action.

Following review and discussion, and based on the engineer's recommendation, Director Verburg moved to (1) approve the engineer's report; (2) approve the proposal the amount of \$3,750, submitted by Hurtado, for the rip rap repair at the three outfalls east of Fulshear Trace; and (3) approve the removal of the trash and debris along the north high bank of Fulshear Creek adjacent to Fulbrook on Fulshear Creek, Section 3 by Glamco for an estimated cost of \$750. Director Catchings seconded the motion, which passed by unanimous vote.

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

The Board reviewed a proposal from Berg Oliver Associates, Inc. in the amount of \$2,850 to conduct a phase I environmental assessment for the Fulbrook on Fulshear Creek, Sections 7, 17, 18, and 19 rights-of-way. After review and discussion, Director Catchings moved to approve the proposal from Berg Oliver Associates, Inc. Director Verburg seconded the motion, which passed unanimously.

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 stated that bids were received for the construction of landscape development to serve Fulbrook on Fulshear Creek, Sections 9, 10, 15, and 16. He recommended that the Board award the contract to the low bidder, Platinum Grass Services, Ltd. ("PGS"), in the amount of \$226,042.56. The Board concurred that, in its judgment, PGS was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

The Board discussed the District's trail system. The Board concurred to close the trail system and requested S&A and Glamco to provide a proposal to remove the decomposed granite and rock steps and install landscaping across the entrances to the trails. The Board also requested Glamco remove any existing trail signs.

After review and discussion, and based on the landscape architect's recommendation, Director Tueting moved to (1) approve the landscape architect's report; and (2) award the contract for construction of the landscape improvements to serve Fulbrook on Fulshear Creek, Sections 9, 10, 15, and 16 to PGS in the amount of \$226,042.56, subject to approval of the payment and performance bonds and review of the certificate of insurance and endorsements, if any, provided by the contractor. Director Verburg seconded the motion, which passed by unanimous vote.

MOWING AND MAINTENANCE OF DISTRICT PROPERTY

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

The Board reviewed correspondence from a resident regarding maintenance of an easement located adjacent to S. Creek Way, a copy of which is attached. Mr. Swonke stated that the easement needs to be regraded. The Board requested Glamco prepare a proposal to regrade the easement for the Board's review at the next meeting.

The Board reviewed correspondence from a resident requesting the installation of additional landscaping at the James Lane entrance, a copy of which is attached. After discussion, the Board took no action.

REPORT ON DEVELOPMENT

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

MEETING LOCATION AND SCHEDULE

The Board discussed the District's meeting location and schedule. After discussion, the Board concurred to continue to hold regular meetings at the offices of ABHR, with the exception of the April and September regular meetings, which will be held in the District.

ATTORNEY'S REPORT

There was no discussion on this item.

CITY MATTERS

There was no discussion on this item.

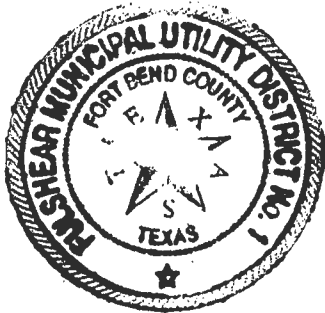
REVIEW OF FINANCIAL ADVISORY CONTRACT WITH MASTERSON

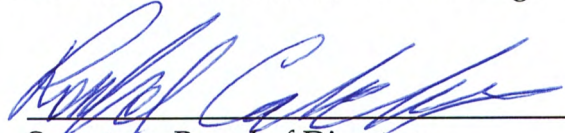
Discussion ensued regarding the financial advisory contract between the District and Masterson. Ms. Peak answered questions from the Board regarding the same.

The Board concurred to consider the service agreement with S&A at the District's May meeting.

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

(SEAL)




Secretary, Board of Directors

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