

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

April 27, 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 27th day of April, 2022, at The Lodge Welcome Center, 5005 Lodge Lake Drive, Fulshear, Texas, inside 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, thus constituting a quorum.

Also present at the meeting were Carmen Guzman of Fulbrook on Fulshear Creek Homeowners Association ("HOA"); Adam Swonke of Gleannloch Landscaping & Maintenance Company ("Glamco"); Alex Khoshakhlagh of Costello, Inc. ("Costello"); Marissa Iguess of Myrtle Cruz, Inc. ("MC"); Shammarie Leon of Bob Leared Interests; Bill Sweitzer of Sweitzer & Associates ("S&A"); Dave Cannon of Trend Development, Inc.; Katie Carner, Jennifer Ramirez, and Melissa Padilla of Allen Boone Humphries Robinson LLP ("ABHR"); and residents of the District as shown on the attached list.

COMMENTS FROM THE PUBLIC

Mr. Gelb addressed the Board regarding maintenance of the District reserve located behind South Creek Way. He stated that the Board told him that the downed vegetation would be clean up and a pre-emergent applied in the spring, which he stated has not happened.

Mr. Claytor addressed the Board regarding maintenance of the easement adjacent to his property on Streamside Trail. He inquired if the on-site meeting to evaluate the easement happened and, if so, what the outcome was.

Mr. Bright reported that residents in the District may be removing vegetation on District property in order to improve their view. Director Tueting stated District policy prohibits residents from modifying District property. He requested that residents send any evidence of vegetation removal on District property to the Board so the Board could take appropriate action.

Mr. Claytor inquired about the mowing schedule for the District's property. Mr. Swonke stated that the mowing schedule is for a certain number of visits per year, and the timing and number of visits depends on the type of mowing, the season, and the weather.

MINUTES

The Board considered approving the regular meeting minutes of March 23, 2022. After review and discussion, Director Catchings moved to approve the regular meeting minutes of March 23, 2022, as presented. Director Verburg seconded the motion, which passed by a vote of 4-0, with Director Gnospelius abstaining.

DISTRICT WEBSITE MATTERS

Ms. Carner stated that Joe Hallmark, the District's website vendor, informed the District that he had inadvertently not been billing the District since 2019. She stated that Mr. Hallmark sent in an invoice for the past six months only and noted that the bookkeeper's report includes a check for that invoice.

AUTHORIZE AUDITOR TO CONDUCT OF AUDIT FOR FISCAL YEAR END APRIL 30, 2022

The Board reviewed an audit continuance letter from McCall Gibson Swedlund Barfoot PLLC ("McCall") reflecting an estimated fee range of \$11,500 to \$13,000 (excluding incidental administrative expenses) to prepare the District's annual audit for the fiscal year ending April 30, 2022. A copy of the continuance letter is attached. After review and discussion, Director Catchings moved to authorize McCall to conduct the audit for fiscal year end April 30, 2022. Director Gnospelius 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 stated that MC will bring a proposed contract amendment to the next meeting for the Board's consideration.

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

Ms. Iguess reviewed the proposed budget for the fiscal year ending April 30, 2023, a copy of which is included in the bookkeeper's report. After review and discussion, Director Tueting moved to approve the budget for the fiscal year ending April 30, 2023, as presented. Director Catchings seconded the motion, which passed unanimously.

REVIEW ARBITRAGE REBATE REPORT FOR THE SERIES 2017 REFUNDING BONDS

The Board reviewed the interim arbitrage rebate report for the District's \$3,905,000 Unlimited Tax Bonds, Series 2017 from OmniCap Group LLC, noting that there is no payment due to the Internal Revenue Service.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Leon reviewed the tax assessor/collector's report, a copy of which is attached. She stated that the District's 2022 preliminary assessed value is approximately \$374 million.

Following review and discussion, Director Catchings moved to approve the tax assessor/collector's report and payment of the tax bills. Director Gnospelius seconded the motion, which passed by unanimous vote.

ENGINEERING MATTERS

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

FULBROOK ON FULSHEAR CREEK, SECTION 7 WATER, SEWER, AND DRAINAGE FACILITIES

Mr. Khoshakhlagh stated that bids were received for construction of the water, sewer, and drainage facilities to serve Fulbrook on Fulshear Creek, Section 7. He recommended that the Board award the contract to Hurtado Construction Company ("Hurtado"), in the amount of \$1,777,168.44. The Board concurred that, in its judgment, Hurtado 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.

FULBROOK ON FULSHEAR CREEK, SECTION 7 PAVING FACILITIES

Mr. Khoshakhlagh stated that bids were received for construction of the paving facilities to serve Fulbrook on Fulshear Creek, Section 7. He recommended that the Board award the contract to Hurtado, in the amount of \$1,088,720.46. The Board concurred that, in its judgment, Hurtado 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.

Mr. Khoshakhlagh also requested the Board authorize execution of the plat.

FULBROOK ON FULSHEAR CREEK, SECTION 11

Mr. Khoshakhlagh updated the Board on the status of design of the water,

sewer, drainage, and paving facilities to serve Fulbrook on Fulshear Creek, Section 11.

FULBROOK ON FULSHEAR CREEK, SECTION 17 WATER, SEWER, AND DRAINAGE FACILITIES

Mr. Khoshakhlagh stated that bids were received for construction of the water, sewer, and drainage facilities to serve Fulbrook on Fulshear Creek, Section 17. He recommended that the Board award the contract to Briggs Brothers Enterprises Corporation ("Briggs"), in the amount of \$2,404,394.00. The Board concurred that, in its judgment, Briggs 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.

FULBROOK ON FULSHEAR CREEK, SECTION 17 PAVING FACILITIES

Mr. Khoshakhlagh stated that bids were received for construction of the paving facilities to serve Fulbrook on Fulshear Creek, Section 17. He recommended that the Board award the contract to A&M Contractors ("A&M") in the amount of \$1,066,911.70. The Board concurred that, in its judgment, A&M 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.

Mr. Khoshakhlagh also requested the Board authorize execution of the plat.

FULBROOK ON FULSHEAR CREEK, SECTION 18

Mr. Khoshakhlagh stated that bids for the construction of the water, sewer, and drainage facilities and the paving facilities will be presented at the next regular meeting.

Mr. Khoshakhlagh also requested the Board authorize execution of the plat.

FULBROOK ON FULSHEAR CREEK, SECTION 19

Mr. Khoshakhlagh stated that bids for the construction of the water, sewer, and drainage facilities and the paving facilities will be presented at the next regular meeting.

Mr. Khoshakhlagh also requested the Board authorize execution of the plat.

MASS GRADING AND REGIONAL/AMENITY POND

Mr. Khoshakhlagh updated the Board on the status of construction of the mass grading and regional detention/amenity pond. He reviewed and

recommended approval of Pay Estimate No. 1 in the amount of \$136,832.40, submitted by Briggs.

DETENTION POND TO SERVE THE COMMERCIAL TRACTS

Mr. Khoshakhlagh updated the Board on the status of construction of the detention pond to serve the commercial tracts, as reflected in his report. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$133,205.57, submitted by Hurtado.

PARKSIDE PASSAGE DRIVE RECREATION CENTER

Mr. Khoshakhlagh stated that Costello completed the plans for the water, sewer, drainage, and paving facilities to serve the Parkside Passage Drive Recreation Center and provided the plans to S&A.

EROSION REPAIRS BEHIND LEGEND CREEK DRIVE

Mr. Khoshakhlagh reviewed a revised exhibit of the proposed erosion remediation for the location behind Legend Creek Drive, a copy of which is attached to the engineer's report. He stated that there was not sufficient space to flatten the slope, as previously requested by the Board, but suggested adding approximately four feet of interlocking brick starting at the top for better slope stability.

EROSION REPAIRS BEHIND LAKE HILL FARM WAY

Mr. Khoshakhlagh reviewed a revised 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. He stated that there was not sufficient space to flatten the slope, as previously requested by the Board, but suggested adding approximately four feet of interlocking brick starting at the top for better slope stability.

Mr. Khoshakhlagh reviewed a revised 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.

Mr. Khoshakhlagh reviewed an exhibit of the proposed erosion remediation for the area located behind a third property on Lake Hill Farm Way, a copy of which is attached to the engineer's report.

After discussion, the Board concurred to accept the proposed erosion remediation plans for the areas behind Legend Creek Drive and Lake Hill Farm Way. Mr. Khoshakhlagh then requested the Board authorize Costello to solicit for

bids for the erosion repair projects.

EROSION BEHIND LONG BRANCH COURT

Mr. Khoshakhlagh stated that a resident reported an area of erosion behind their residence on Long Branch Court. He stated that after investigation, Costello determined that the lot grading does not match the pre-building conditions. He further noted that the property located behind the property is not owned by the District. Mr. Khoshakhlagh stated he would notify the resident regarding his findings.

OTHER ENGINEERING MATTERS

Mr. Khoshakhlagh stated that Hurtado will begin the rip-rap repairs for the three District outfalls into Fulshear Creek once Hurtado mobilizes for construction in Fulbrook on Fulshear Creek, Section 7.

Mr. Khoshakhlagh stated that Tri-Point Homes has requested to overlap a portion of the District's 20-foot sanitary sewer easement for the construction of a water line easement to serve their development of a tract adjacent to the District. He reviewed an exhibit of the proposed easement overlap and stated that Costello has no objections to the overlap. Mr. Khoshakhlagh stated that the City of Fulshear (the "City"), Fort Bend County, and the Fort Bend County Drainage District have no objection to the alignment. He stated that if the District approves the request, Costello will send Tri-Point Homes a letter of no-objection. Ms. Carner noted that all of the facilities, including the easements, have been conveyed to the City for ownership and maintenance, but the City is requesting the District approve the request as well. After discussion, the Board concurred to authorize Costello to send Tri-Point Homes a letter of no-objection.

Following review and discussion, and based on the engineer's recommendation, Director Verburg moved to (1) approve the engineer's report; (2) award the contract for construction of water, sewer, and drainage facilities to serve Fulbrook on Fulshear Creek, Section 7 to Hurtado in the amount of \$1,777,168.44, subject to approval of the payment and performance bonds and review of the certificate(s) of insurance and endorsements, if any, provided by the contractor; (3) award the contract for construction of paving facilities to serve Fulbrook on Fulshear Creek, Section 7 to Hurtado in the amount of \$1,088,720.46, subject to approval of the payment and performance bonds and review of the certificate(s) of insurance and endorsements, if any, provided by the contractor; (4) authorize execution of the Fulbrook on Fulshear Creek, Section 7 plat; (5) award the contract for construction of water, sewer, and drainage facilities to serve Fulbrook on Fulshear Creek, Section 17 to Briggs in the amount of \$2,404,394.00, subject to approval of the payment and performance bonds and review of the certificate(s) of insurance and endorsements, if any, provided by the contractor; (6) award the contract for construction

of paving facilities to serve Fulbrook on Fulshear Creek, Section 17 to A&M in the amount of \$1,066,911.70, subject to approval of the payment and performance bonds and review of the certificate(s) of insurance and endorsements, if any, provided by the contractor; (7) authorize execution of the Fulbrook on Fulshear Creek, Section 17 plat; (8) authorize execution of the Fulbrook on Fulshear Creek, Section 18 plat; (9) authorize execution of the Fulbrook on Fulshear Creek, Section 19 plat; (10) approve Pay Estimate No. 1 in the amount of \$136,832.40, submitted by Briggs; (11) approve Pay Estimate No. 1 in the amount of \$133,205.57, submitted by Hurtado; and (12) authorize Costello to solicit bids for the four erosion repair projects behind Legend Creek Drive and Lake Hill Farm Way. Director Catchings seconded the motion, which passed unanimously.

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

The Board considered accepting a Special Warranty Deed from Fulshear Land Partners, Ltd. to the District for the Fulbrook on Fulshear Creek, Sections 7, 17, 18, and 19 rights-of-way (the "Deed"). After review and discussion, Director Catchings moved to accept the Deed and direct that the Deed be filed appropriately and retained in the District's official records. 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 updated the Board on the status of construction of landscape development to serve Fulbrook on Fulshear Creek, Sections 9, 10, 15, and 16, as reflected in his report.

Mr. Sweitzer updated the Board on the status of construction of the greenway enhancement perimeter walls to serve Fulbrook on Fulshear Creek, Section 15. He reviewed and recommended approval of Pay Estimate Nos. 1 and 2 in the amounts of \$1,620.00 and \$14,741.06, respectively, submitted by American Wall Systems, Inc. ("AWS").

Mr. Sweitzer updated the Board on the status of design of the Parkside Passage Recreation Center.

Mr. Sweitzer reviewed options, provided by Glamco, for closing the four trail heads in the District, a copy of which is attached. After review and discussion, the Board concurred to move forward with the following options: (1) the removal of the rock steps and relocation of the same as barriers at Trail Head Nos. 1 and 2 in the amount of \$850.00 per trail head; (2) the addition of 35 feet of fencing at Trail Head No. 3 in the amount of \$962.50; (3) the addition of new crushed granite and herbicide treatment at Trail Head No. 4 in the amount not to exceed \$3,000.00; and (4) the removal of the existing trail signs in the amount of \$400.00, for a total amount not to exceed \$6,000.00.

After review and discussion, and based on the landscape architect's recommendation, Director Catchings moved to (1) approve the landscape architect's report; (2) approve Pay Estimate Nos. 1 and 2 in the amounts of \$1,620.00 and \$14,741.06, respectively, submitted by AWS; and (3) approve the trail head closure and remediation work for a total amount not to exceed \$6,000.00, as detailed above. Director Gnospelius seconded the motion, which passed by unanimous vote.

MOWING AND MAINTENANCE OF DISTRICT PROPERTY

Mr. Swonke reviewed a proposal in the amount of \$4,090.00 for the repair of property located adjacent to Streamside Trail that was damaged by a pool contractor, a copy of which is attached. Mr. Sweitzer noted that a portion of the proposal is to repair a sidewalk that was possibly damaged by a homebuilder. He stated that he is coordinating with the homebuilder to have the sidewalk repaired. Ms. Carner stated that the HOA is holding the resident's pool construction deposit in the amount of \$1,000.00. After discussion, the Board directed ABHR to send a letter to the resident requesting reimbursement for the necessary repairs.

Mr. Swonke reviewed a proposal in the amount of \$7,350.00 for repair of property located adjacent to South Creek Way, a copy of which is attached.

The Board reviewed correspondence from a resident regarding maintenance of tall grass on property located behind Southern Dewberry Court, a copy of which is attached. The Board noted that South Creek Way has a similar issue with tall grass. The Board considered authorizing the Board President to approve a proposal from Glamco to remove the tall grass with a brush hog in both locations.

The Board reviewed correspondence from a resident requesting the Board treat the drainage ditches for mosquitoes, a copy of which is attached. The Board noted that the District does not engage in mosquito treatment, but that the City treats for mosquitoes.

The Board reviewed correspondence from a resident requesting the removal of a dead tree adjacent to their property on Streamside Trail, a copy of which is attached. Mr. Swonke stated that the tree does not pose a hazard to adjacent property. After discussion, the Board took no action on the request.

Mr. Swonke stated that a homeowner along Lodge Lake Drive reported the removal of six feral hogs and inquired if the Board wanted Glamco to proceed with the repair and replacement of sod along the fence line behind Lodge Lake Drive, as previously authorized by the Board. After discussion, the Board directed Glamco to hold off on performing the work for the time being, pending potential trapping of additional hogs.

After review and discussion, Director Verburg moved to (1) approve the proposal in the amount of \$4,090.00 for the repair of the property located adjacent to Streamside Trail, subject to removal of the \$625.00 portion for the repair of the sidewalk if the homebuilder repairs the sidewalk instead; (2) approve the proposal in the amount of \$7,350.00 for repair of the property located adjacent to South Creek Way; and (3) authorize the Board President to approve a proposal from Glamco to remove the tall grass with a brush hog in the property located adjacent to both Southern Dewberry Court and South Creek Way. Director Tueting seconded the motion, which passed unanimously.

REPORT ON DEVELOPMENT

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

ATTORNEY'S REPORT

There was no discussion on this item.

CITY MATTERS

There was no discussion on this item.

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

(SEAL)



Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

Minutes
Page

Sign in list.....	1
Audit continuance letter	2
Bookkeeper's report.....	2
Tax assessor/collector's report	3
Engineer's report.....	3
Landscape architect's report.....	7
Options for closing the trailheads.....	8
Proposal for repair of property located adjacent to Streamside Trail	8
Proposal for repair of property located adjacent to South Creek Way	8
Correspondence from a resident regarding property maintenance.....	8
Correspondence from resident requesting mosquito treatment.....	8
Correspondence from a resident requesting the removal of a tree	9