

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

August 23, 2023

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 August, 2023, 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, thus constituting a quorum.

Also present at the meeting in person or via telephone conference were Don and Jacqui Fryhofer, Richard Tang, and David Osborne, residents of the District; Alex Khoshakhlagh of Costello, Inc. ("Costello"); Bill Sweitzer of Sweitzer & Associates ("S&A"); Marissa Iguess of Myrtle Cruz, Inc.; Shammara Leon of Bob Leared Interests; Dave Cannon of Trend Development, Inc.; Christine Crotwell and Julie Peak of Masterson Advisors LLC; and Katie Carner and Shammara Polk of Allen Boone Humphries Robinson LLP ("ABHR").

COMMENTS FROM THE PUBLIC

Mr. Fryhofer addressed concerns previously discussed at the July 26, 2023, Board meeting regarding requested additional landscape maintenance behind Fulbrook on Fulshear Creek Section 9, Lot 1. He stated he did not believe the landscape crew was mowing the entirety of the designated maintenance area and renewed his request for additional landscape maintenance.

Mr. Osborne addressed the Board regarding correspondence sent addressing drainage concerns in connection with a possible irrigation leak near the border of his yard and requesting the removal of a dead tree behind his residence on West Farm Way. A copy of the correspondence is attached. The Board informed Mr. Osborne that the Board will request Gleannloch Landscaping & Maintenance Company ("Glamco") to investigate the irrigation leak further and if the issue persists the Board will request Costello to investigate grading and drainage in the area. The Board also directed S&A to inspect the area, including the reported tree.

Mr. Tang addressed the Board regarding correspondence sent requesting a letter from the District advising that the District is aware of the erosion issues behind his residence on Legend Creek Drive and that there is a plan in place to rectify the issue. He stated he is looking to put his home on the market in the coming months and his realtor suggested he request the letter. A copy of the correspondence is attached. Ms. Carner stated this will be discussed further under agenda item no. 8.

Ms. Fryhofer addressed the Board regarding stakes installed behind Fulbrook on Fulshear Creek, Section 9, Lot 1, and requesting confirmation that mowing is supposed to be done up to the stakes. Director Tueting stated that the stakes were installed to show the boundary. He directed Ms. Carner to contact Glamco to ensure mowing is done per the approved proposal.

### MINUTES

The Board considered approving the minutes of the July 26, 2023, regular meeting. Following review and discussion, Director Catchings moved to approve the minutes of the July 26, 2023, regular meeting, as presented. Director Gnospelius seconded the motion, which passed unanimously.

### DISCUSSION OF 2023 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING

The Board considered the District's 2023 tax rate. Ms. Peak distributed and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2023 debt service tax rate of \$0.77 per \$100 of assessed valuation. A copy of the debt service tax rate analysis is attached. The Board then discussed the District's operation and maintenance tax rate. Ms. Peak discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Verburg moved to (1) set the public hearing date for September 27, 2023, at the Lodge within the District; and (2) authorize notice to be published of the District's meeting on September 27, 2023, and to set the proposed 2023 total tax rate of \$0.87 per \$100 of assessed valuation, with \$0.77 allocated for debt service on water, sewer, and drainage bonds, and \$0.10 allocated for operations and maintenance. Director Gnospelius seconded the motion, which passed unanimously.

Director Verburg left the meeting.

### DISTRICT WEBSITE MATTERS

Ms. Carner informed the Board that the boil water notice from the City of Fulshear (the "City") was posted to the District website and the City's rescission of the boil water notice was posted to the District website yesterday.

## FINANCIAL AND BOOKKEEPING MATTERS

Ms. Igness 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.

Following review and discussion, Director Catchings moved to approve the bookkeeper's report and payment of the bills. Director Gnospelius seconded the motion, which passed by a vote of 4-0, with Director Verburg absent from voting.

## TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Leon reviewed the tax assessor/collector's report, a copy of which is attached. She reported that the District's 2022 taxes were 99.7% collected as of July 31, 2023.

Following review and discussion, Director Gnospelius moved to approve the tax assessor/collector's report and payment of the tax bills. Director Tueting seconded the motion, which passed by a vote of 4-0, with Director Verburg absent from voting.

## SERIES 2023 UNLIMITED TAX ROAD BONDS ("SERIES 2023 ROAD BONDS")

Ms. Peak discussed the procedures and proposed schedule for the issuance of the District's Series 2023 Road Bonds.

### APPROVE FINAL COST SUMMARY

The Board reviewed a final cost summary for the District's issuance and sale of the Series 2023 Road Bonds.

### APPROVE PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL NOTICE OF SALE

Ms. Peak reviewed the Preliminary Official Statement and Official Notice of Sale for the Series 2023 Road Bonds with the Board.

Director Verburg re-entered the meeting.

### APPOINT PAYING AGENT/REGISTRAR

The Board discussed appointing a Paying Agent/Registrar for the District's Series 2023 Road Bonds.

ADVERTISEMENT AND SCHEDULE FOR SALE OF THE SERIES 2023 ROAD BONDS

The Board discussed the proposed schedule for the sale of the District's Series 2023 Road Bonds.

Following review and discussion, Director Gnospelius moved to (1) approve the final cost summary for the Series 2023 Road Bonds; (2) approve the Preliminary Official Statement and Official Notice of Sale, subject to final review; (2) appoint Bank of New York Mellon Trust Company, N.A. as the Paying Agent/Registrar for the Series 2023 Road Bonds; and (3) authorize advertisement for sale of the Series 2023 Road Bonds and schedule the bond sale for next month's regular meeting on September 27, 2023. Director Tueting seconded the motion, which passed by a vote of 4-0, with Director Verburg abstaining from voting.

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.

FULBROOK ON FULSHEAR CREEK, SECTION 11 PAVING FACILITIES

Mr. Williams 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. He reviewed and recommended approval of Change Order No. 1 to increase the contract in the amount of \$15,750.00, submitted by Hurtado Construction Company ("Hurtado"). Mr. Khoshakhlagh stated that Change order No. 1 is for the construction of an additional manhole for Lift Station No. 10, which the City is requiring. The Board determined that Change Order No. 1 is beneficial to the District.

### FULBROOK ON FULSHEAR CREEK, SECTION 17 PAVING FACILITIES

Mr. Khoshakhlagh updated the Board on the status of construction of the paving facilities to serve Fulbrook on Fulshear Creek, Section 17, as reflected in his report. He reviewed and recommended approval of Pay Estimate No. 4 in the amount of \$41,433.30, submitted by A&M Contractors, Inc. Discussion ensued retarding the City's recent inspection and remaining punch list items.

### MASS GRADING AND REGIONAL DETENTION/AMENITY POND

Mr. Khoshakhlagh updated the Board on the status of construction of the mass grading and regional detention/amenity pond, as reflected in his report.

### FULBROOK ON FULSHEAR CREEK, SECTION 18 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 18, as reflected in his report.

### EROSION PROTECTION ALONG FULSHEAR CREEK SOUTH BANK

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

The Board discussed Mr. Tang's request for a letter from the District advising that the District is aware of the erosion issues adjacent to residence on Legend Creek Drive and that there is a plan in place to rectify the issue. Following discussion, the Board directed ABHR to draft a letter acknowledging that the District is aware of the erosion issues and that the Board has authorized the submittal of an application to the Natural Resources Conservation Service for funding for a proposed erosion protection project.

### OTHER ENGINEERING MATTERS, INCLUDING RESIDENT REQUESTS

Mr. Khoshakhlagh updated the Board regarding the City requesting a park land contribution in lieu of park fee credit from Fulshear Land Partners, Ltd. ("FLP"), as reflected in his report. He stated Costello is preparing the metes and bounds description for the southern park reserves, as previously authorized.

Mr. Khoshakhlagh updated the Board regarding discussion last month regarding the Fulshear Trace Turnaround, as reflected in his report. He reviewed and presented an invoice in the amount of \$3,200.00, submitted by Hurtado to cover the cost for the subcontractor to complete the turnaround closure work. A copy of the invoice is included in the engineer's report. Ms. Iguess stated she

prepared additional check no. 4552 in the amount of \$3,200.00, payable to Hurtado. She stated that funds will be released out of the District's operating fund, subject to the District's approval of same.

Following review and discussion, and based on the engineer's recommendation, Director Catchings moved to (1) approve the engineer's report; (2) approve Change Order No. 1 to increase the contract in the amount of \$15,750.00, submitted by Hurtado, based on the Board's determination that the Change Order is beneficial to the District; (3) approve Pay Estimate No. 4 in the amount of \$41,433.30, submitted by A&M Contractors, Inc.; and (4) approve the invoice in the amount \$3,200.00, submitted by Hurtado, and additional check no. 4552 related to same. Director Gnospelius 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 a portion of Reserve A within Fulbrook on Fulshear Creek, Section 14 (the "Deed"). Following review and discussion, Director Gnospelius moved to accept the Deed and direct that the Deed be filed appropriately and retained in the District's official records. Director Catchings seconded the motion, which passed unanimously.

#### UTILITY COMMITMENTS

There was no discussion on this agenda item.

#### UTILITY CONVEYANCE AND SECURITY AGREEMENTS

The Board considered approving a Utility Conveyance and Security Agreement to convey to the City the water, sewer, and drainage facilities to serve Fulbrook on Fulshear Creek, Sections 18 and 19 (the "Utility Agreements"). Following review and discussion, Director Catchings moved to approve the Utility Agreements and direct that the Utility Agreements be filed appropriately and retained in the District's official records. Director Gnospelius seconded the motion, which passed unanimously.

#### 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 construction of landscape development to serve Fulbrook on Fulshear Creek, Sections 9, 10, 15, and 16, as reflected in his report. He reviewed and recommended approval of Pay Estimate No. 6 in the amount of \$2,250.00, submitted by Platinum Grass Services, LTD. ("PGS").

Mr. Sweitzer updated the Board on the status of the landscape development of Fulbrook on Fulshear Creek, Section 6, as reflected in the report. He reviewed and recommended approval Pay Estimate No. 10 and Final in the amount of \$32,408.07, submitted by Earth First Landscapes, LLC ("Earth First"). Mr. Sweitzer also requested the Board approve the Certificate of Final Acceptance.

Mr. Sweitzer updated the Board on the status of the design of the Parkside Passage Recreation Center. Director White inquired about the timeline for receiving bids for this project.

Mr. Sweitzer updated the Board on the status of design of landscape development and greenway enhancements perimeter walls to serve Fulbrook on Fulshear Creek, Section 7, including the repairs to the damaged portion of the District's greenway enhancements perimeter walls along Southpoint Way and Creekbend Drive.

Mr. Sweitzer updated the Board on the status of the paver repairs at the roundabout on Fulshear Trace. He stated the removal of construction debris and fence restoration is complete.

Following 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 No. 6 in the amount of \$2,250.00, submitted by PGS; (3) approve Certificate of Final Acceptance for the landscape development of Fulbrook of Fulshear Creek, Section 6; and (3) approve Pay Estimate No. 10 and Final in the amount of \$32,408.07, submitted by Earth First. Director Gnospelius seconded the motion, which passed unanimously.

#### MOWING AND MAINTENANCE OF DISTRICT PROPERTY

The Board reviewed and discussed resident requests.

The Board reviewed correspondence requesting the area near the Southpoint section of Fulbrook on Fulshear Creek be mowed. A copy of the correspondence is attached. Following discussion, the Board concurred to continue with the current maintenance schedule.

The Board reviewed correspondence from another resident on Southpoint Way requesting to mow the District property beyond their fence if the District and the Fulbrook on Fulshear Creek Homeowners Association will not maintain the area. A copy of the correspondence is attached. Ms. Carner informed the Board that the resident was informed that they are not allowed to mow or otherwise modify District property. Following discussion, the Board concurred to continue with the current maintenance schedule.

REPORT ON DEVELOPMENT

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

ATTORNEY'S REPORT

There was no discussion on this agenda item.

CITY OF FULSHEAR MATTERS

Ms. Carner reviewed correspondence from a resident regarding the District's water supply, availability of District agendas and minutes, and incorrect information on certain non-District websites. A copy of the correspondence is attached.

COMMENTS FROM THE PUBLIC CONT'D

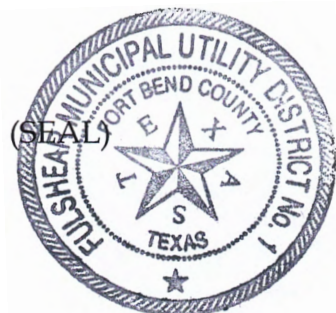
Mr. Fryhofer addressed the Board regarding the requested additional landscape maintenance behind Fulbrook on Fulshear Creek Section 9, Lot 1. The Board asked Costello and Glamco to confirm the original boundary of the wetland areas in Fulbrook on Fulshear Creek, Sections 8 and 10.


Mr. Fryhofer discussed his Texas Public Information Act request for Fulbrook on Fulshear Creek, Section 8. He stated that he will submit a written request to consent to the redaction of confidential information.

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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