

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

December 13, 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 13th day of December, 2023, 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
William K. White	Assistant Secretary/ Asst. Vice President
Todd Gnospelius	Assistant Secretary/ Asst. Vice President

and all of the above were present except Directors Tueting and Verburg, thus constituting a quorum.

Also present at the meeting were Alex Khoshakhlagh of Costello, Inc. ("Costello"); Bill Sweitzer of Sweitzer & Associates; Marissa Iguess of Myrtle Cruz, Inc.; Brenda McLaughlin of Bob Leared Interests; Dave Cannon of Trend Development, Inc.; Casey Fletcher of Lake Management Services, L.P. ("LMS"); Adam Swonke of Gleannloch Landscaping & Maintenance Company ("Glamco"); Katie Carner and Shammara Polk of Allen Boone Humphries Robinson LLP ("ABHR"); and residents of the District as shown on the attached list.

COMMENTS FROM THE PUBLIC

Mr. Osborne addressed concerns previously discussed at the August 23, 2023, Board meeting regarding drainage concerns and the removal of a tree he believes is rotted behind his residence on West Farm Way. Ms. Carner stated this will be discussed further under agenda item no. 13.

Mr. Fryhofer addressed the Board regarding correspondence sent and concerns previously discussed at the October 25, 2023, and other prior Board meetings regarding landscape maintenance behind Fulbrook on Fulshear Creek, Section 9. A copy of the correspondence is attached.

Mr. Bright addressed the Board regarding correspondence sent and concerns regarding preservation of natural areas, including behind Fulbrook on Fulshear Creek, Section 9. A copy of the correspondence is attached.

Ms. Ramos addressed the Board regarding correspondence with another resident in Fulbrook on Fulshear Creek 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 October 25, 2023, regular meeting. Following review and discussion, Director Catchings moved to approve the minutes of the October 25, 2023, regular meeting, as presented. Director White seconded the motion, which passed unanimously.

DISTRICT WEBSITE MATTERS

There was no discussion regarding this agenda item.

TRAVEL REIMBURSEMENT GUIDELINES AND DIRECTOR EXPENSES FOR THE ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") WINTER CONFERENCE

Ms. Carner reviewed the District's Travel Reimbursement Guidelines and the Board discussed expenses for the upcoming Association of Water Board Directors winter conference. Following review and discussion, Director Catchings moved to authorize up to two nights of lodging, up to three fees of office, and reasonable meals for any Director attending the conference, to be submitted in accordance with the District's Guidelines. Director Gnospelius 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.

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 unanimously.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. McLaughlin reviewed the tax assessor/collector's reports, a copy of which is attached. She reported that the District's 2023 taxes were 5.2% collected as of November 30, 2023.

Ms. McLaughlin presented one additional check for a quarterly invoice from Fort Bend Central Appraisal District, which will be included on the next report.

Following review and discussion, Director Gnospelius moved to approve the tax assessor/collector's report and payment of the tax bills, including the additional check. Director Catchings seconded the motion, which passed unanimously.

RESOLUTION VOTING FOR DIRECTOR FOR BOARD OF DIRECTOR ELECTION FOR THE FORT BEND CENTRAL APPRAISAL DISTRICT

The Board took no action on this agenda item.

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 October 25, 2023, Board meeting regarding the City of Fulshear (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 the City was not willing to move the water plant to the west side of the District; however, the City did propose removing the water plant site out of the District entirely if the District is willing to increase their contribution to the water line project. She stated the developer offered to advance an additional \$80,000, which will be reimbursed by the District in a future water, sewer, and drainage bond issue, to bring the total District contribution to \$160,000.00. The Board discussed additional conditions for the project. Following discussion, the Board concurred to inform the City of the District's revised offer and requested ABHR prepare an interlocal agreement between the District and the City for same, upon the City's acceptance of the revised offer.

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.

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. He reviewed and recommended approval of Pay Estimate No. 2 and Final in the amount of \$324,781.00, submitted by Hurtado Construction Company ("Hurtado"). Mr. Khoshakhlagh stated the District's direct funding share of Pay Estimate No. 2 and Final is \$8,786.30. He stated the work is complete.

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 (THE "CITY") 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

Mr. Khoshakhlagh reviewed and presented a proposal from HDR to identify the wetland boundary in Fulbrook Fulshear Creek, Sections 8 and 9 in the amount of \$24,000. A copy of the proposal is attached. Following discussion, the Board concurred to defer discussion to the January Board meeting.

OTHER ENGINEERING MATTERS, INCLUDING RESIDENT REQUESTS

Mr. Khoshakhlagh discussed correspondence received regarding erosion concerns adjacent to District property east of Fulbrook on Fulshear Creek, Section 4 near Trickle Creek Court. A copy of the correspondence is attached. He stated that upon further investigation it appears that the issue relates to Fulshear Municipal Utility District No. 2's ("Fulshear MUD 2") property. Mr. Khoshakhlagh stated that if the Board would like to establish the boundary line with Fulshear MUD 2, Costello can conduct a survey in an amount not to exceed \$2,500. Discussion ensued.

Following review and discussion, and based on the engineer's recommendation, Director Gnospelius moved to (1) approve the engineer's report; (2) approve Pay Estimate No. 2 and Final in the amount of \$324,781.00, submitted by Hurtado; and (3) authorize Costello to conduct a survey to establish the District's boundary line with Fulshear MUD 2 in an amount not to exceed \$2,500.00. Director White 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 Reserves within Fulbrook on Fulshear Creek, Sections 7, 17, 18, and 19 (the "Deed"). Following 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 Gnospelius seconded the motion, which passed unanimously.

UTILITY COMMITMENTS

There was no discussion on this agenda item.

UTILITY CONVEYANCE AND SECURITY AGREEMENTS

Ms. Carner provided an update on the City's acceptance of the water, sewer, and drainage facilities and paving for Fulbrook on Fulshear Creek, Section 17. She informed the Board that until the Lift Station is operational and the generator is installed the City will not accept the Lift Station. Following discussion, the Board requested Costello look into getting a leased generator and directed ABHR to obtain an insurance proposal for the Lift Station for the next Board meeting.

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 design of the Parkside Passage Recreation Center, as reflected in his report.

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, as reflected in his report. Following discussion, the Board authorized amending the scope of work for the greenway enhancements to include Fulbrook on Fulshear Creek, Section 19.

DISCUSS FLOCKING OF DISTRICT DETENTION FACILITIES AND AUTHORIZE APPROPRIATE ACTION

Mr. Fletcher discussed options to clear the discolored water in District lakes. He reviewed and presented a proposal to dye District detention facilities in the initial amount of \$3,470.00 plus \$1,500.00 per month afterward, submitted by LMS. A copy of the proposal is attached. He stated lake flocking would cost approximately \$11,000.00 but is not recommended at this time due to ongoing construction. Following discussion, the Board concurred to defer action and requested LMS provide additional information regarding the dye application.

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. Swonke stated the bleeder swale has been cut and he will sod the area. He further advised that the sprinkler head below the fence has been moved and he will go back to fill in the area. The Board requested Glamco have an arborist examine the tree.

The Board discussed correspondence previously reviewed at the August 23, 2023, Board meeting from a resident on Spanish Moss Crossing requesting the removal of poison oak from behind their residence that has grown into their pecan tree in their yard. Mr. Swonke stated the poison oak has been removed.

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 stated Glamco will investigate the matter further and bring a proposal to the next Board meeting, if necessary.

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 stated Glamco will investigate the matter further and bring a proposal to the next Board meeting, if necessary.

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. Swonke stated Glamco will investigate the matter further and will get with Director Verburg before the next Board meeting.

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 he is currently awaiting a date from the tree contractor to have the tree limbs removed.

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 discussion, the Board concurred to defer action until the next Board meeting.

REVIEW AND UPDATE EMINENT DOMAIN REPORT TO THE TEXAS COMPTROLLER

Ms. Carner stated ABHR filed the District's 2023 eminent domain report, as required, with the Texas Comptroller and noted the District did not exercise its eminent domain authority in 2023.

CITY OF FULSHEAR MATTERS

Ms. Carner reviewed a Notice of Withdrawal of Stage 1 Drought Conditions from the North Fort Bend Water Authority ("NFBWA") with the Board. Following discussion, the Board requested ABHR have all drought notices removed from the District's website and to have a representative of the NFBWA attend a Board meeting to provide an update on the conversion to surface water for the City.

COMMENTS FROM THE PUBLIC CONT'D

Ms. Ford addressed the Board regarding concern of vines damaging the trees behind her residence on Creekside Court. She requested that the Board consider a new maintenance plan for the District's property.

Ms. Ramos continued reviewing correspondence regarding another resident in Fulbrook on Fulshear Creek regarding landscape maintenance behind Fulbrook on Fulshear Creek, Section 9.

Ms. Fryhofer addressed the Board regarding landscape maintenance behind

Fulbrook on Fulshear Creek, Section 9 and the interaction with other District residents, related to the same.

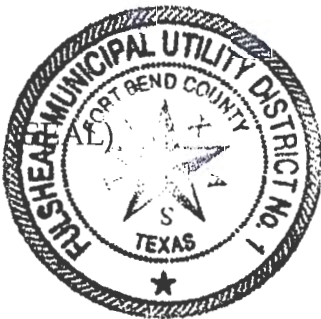
Mr. Fryhofer addressed the Board regarding landscape maintenance behind Fulbrook on Fulshear Creek, Section 9 and requested an update on the Texas Public Information Request ("TPIA") that was submitted. Ms. Carner informed Mr. Fryhofer that all previous requests have been responded to and that the new request will be responded to according to TPIA rules and regulations. She stated she would follow up with him after the meeting to confirm he received the responses to the other earlier requests.

Mr. Bright addressed the Board regarding landscape maintenance near Huggins Lake.

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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