

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

April 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 April, 2024, 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, thus constituting a quorum.

Also present at the meeting in person or via teleconference were Nico Jansen Van Rensburg and Gina McPherson, residents of the District; Alex Khoshakhlagh of Pape-Dawson Engineers, Inc. ("Pape-Dawson"); Bill Sweitzer of Sweitzer & Associates; Marissa Iguess of Myrtle Cruz, Inc. ("MCI"); Shammaraie Leon of Bob Leared Interests; Dave Cannon of Trend Development, Inc.; Katie Carner, Allison Leatherwood, 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. Raphael addressed the Board regarding erosion concerns behind Trickle Creek Court. Ms. Carner stated this will be discussed under agenda item no. 7. He next discussed silt fencing on Southpoint Way that needs to be removed. Ms. Carner stated this information will be reported to the District's landscape maintenance consultant.

Mr. Neiman addressed the Board regarding correspondence sent regarding grading/slope concerns behind his residence on Haven Trace Drive. A copy of the correspondence is attached. Ms. Carner stated the Board had received a copy of the correspondence and this matter will be discussed under agenda item no. 11.

MINUTES

The Board considered approving the minutes of the March 27, 2024, regular meeting. Following review and discussion, Director Catchings moved to approve the

minutes of the March 27, 2024, regular meeting, as presented. Director Verburg seconded the motion, which passed unanimously.

DISTRICT WEBSITE MATTERS

There was no discussion on this agenda item.

AUTHORIZE AUDITOR TO CONDUCT OF AUDIT FOR FISCAL YEAR END APRIL 30, 2024

The Board reviewed an audit continuance letter from McCall Gibson Swedlund Barfoot PLLC ("McCall") reflecting an estimated fee range of \$13,000 to \$15,000 (excluding incidental administrative expenses) to prepare the District's annual audit for the fiscal year ending April 30, 2024. 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, 2024. 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. Following review and discussion, Director Verburg moved to approve the bookkeeper's report and payment of the bills. Director Catchings seconded the motion, which passed unanimously.

Ms. Iguess next reviewed the proposed budget for the fiscal year ending April 30, 2025, a copy of which is included in the bookkeeper's report. She stated the requested updates of increasing the engineering and James Lane water line extension budget were made, as previously discussed. Ms. Leon informed the Board of the revised maintenance tax number for the budget in the amount of \$442,456.42, in response to receiving the 2024 preliminary value information from the Fort Bend Central Appraisal District. Following discussion, the Board directed MCI to increase the landscape maintenance and Fulshear Creek erosion repair items, as discussed. Following review and discussion, Director Verburg moved to approve the budget for the fiscal year ending April 30, 2025, amended as discussed. Director Catchings seconded the motion, which passed unanimously.

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 2023 taxes were 98.0% collected as of March 31, 2024.

Ms. Leon stated that the District's 2024 preliminary assessed value is approximately \$600 million.

Following review and discussion, Director Tueting moved to approve the tax assessor/collector's report and payment of the tax bills. Director Catchings 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. He stated Pape-Dawson is still in the process of the design and plan preparation and anticipates submitting plans to the City of Fulshear (the "City") by the end of May.

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. He stated the onsite meeting took place on April 11, 2024, with Natural Resource Conservation Services ("NRCS") representatives to further investigate the erosion areas. Mr. Khoshakhlagh stated NRCS has approved the application, subject to completion of the required agreement and additional documentation.

CITY OF FULSHEAR EMERGENCY JAMES LANE WATER LINE EXTENSION PROJECT

Mr. Khoshakhlagh updated the Board on the James Lane Water Line Extension project, as reflected in his report. He stated the plans for the project have been submitted to all appropriate agencies. Mr. Khoshakhlagh stated that two bids

were received for construction of the James Lane water line extension. He recommended that the Board award the contract to Hurtado Construction Company (“Hurtado”) in the amount of \$238,980.00. 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. Ms. Carner informed the Board that MCI has sent an invoice to the City for their share of the project.

CHANNEL EROSION EAST OF DISTRICT BOUNDARY

Mr. Khoshakhlagh updated on the Board on discussion from the January 24, 2024, Board meeting and prior Board meetings regarding correspondence received pertaining to erosion concerns adjacent to District property east of Fulbrook on Fulshear Creek, Section 4 near Trickle Creek Court, as reflected in his report. He stated that he contacted Fulshear Municipal Utility District No. 2’s (“Fulshear MUD No. 2”) engineer for an update and they advised that it is not an issue of their District. Following discussion, the Board requested ABHR send a letter to Fulshear MUD No. 2 and a letter to Mr. Dowdall and requested ABHR and Pape-Dawson contact NRCS to request that the eastern channel erosion project be added to the current NRCS. The Board also requested that ABHR and Pape-Dawson work with Fulshear MUD No. 2 and the adjacent property owners to request that Fulshear MUD No. 2 pay the 25 percent local share for the project and that both parties provide access to the District to complete the work. Director White requested ABHR inform Gleannloch Landscaping & Maintenance Company (“Glamco”) to clear the overgrowth on Trickle Creek Court near the no trespassing signs.

OTHER ENGINEERING MATTERS, INCLUDING RESIDENT REQUESTS

Mr. Khoshakhlagh updated the Board on discussions from the March 27, 2024, Board meeting regarding a resident on Crest View Terrace advising of erosion on the District’s property adjacent to his residence, as reflected in his report. Pape-Dawson has provided this information to NRCS and Pape-Dawson will add the cost for repairs to the total of the erosion protection project once the estimate from the NRCS is received. Following discussion, the Board requested ABHR send a letter to the resident to remove all irrigation facilities and not to encroach on District property.

Mr. Khoshakhlagh informed the Board of a resident who requested a map of the District be added to the District’s website. Following discussion, the Board directed Mr. Khoshakhlagh to provide ABHR with the latest aerial map of the District to be posted on the District website.

UPDATE ON PREPARATION OF BOND APPLICATION

Mr. Khoshakhlagh updated the Board on the preparation of the bond application, as reflected in his report.

The Board discussed correspondence from a resident on Haven Trace Drive regarding grading/slope concerns behind his residence. Following discussion, the Board requested to have Glamco bring a proposal for repairs to the next Board meeting.

Following review and discussion and based on the engineer's recommendation, Director Tueting moved to (1) approve the engineer's report; (2) award the contract for the James Lane water line extension project to Hurtado in the amount of \$238,980.00, based upon the engineer's recommendation and 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) authorize Glamco to clear the overgrowth on Trickle Creek Court near the no trespassing signs; (4) authorize ABHR and Pape-Dawson to coordinate with NRCS, Fulshear MUD No. 2, and the adjacent property owners regarding the inclusion of the eastern channel repairs in the NRCS grant application; (5) authorize Pape-Dawson to provide ABHR the District map for posting on the District's website; and (6) authorize ABHR to send a letter to the property owner on Crest View Terrace to remove all irrigation facilities and not to encroach on District property. 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 the plans for construction of site utilities and parking are being finalized for public bidding. Mr. Sweitzer further advised that he is working with the Homeowners Association ("HOA") to provide illustrations

of the proposed recreation center for posting on the HOA's website.

Mr. Sweitzer updated the Board on the status of the Landscape Development of Fulbrook on Fulshear Creek, Section 7, as reflected in his report. He stated the plans are being finalized to advertise for bids.

Mr. Sweitzer updated the Board on the status of the Greenway Enhancements 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 stated the Notice to Proceed has been issued to the contractor and construction has begun. In response to an inquiry from Director Gnospelius, Mr. Sweitzer stated he would send the Board the cost information for repairs to the existing walls.

Following review and discussion, Director Tueting moved to approve the landscape architect's report. Director Verburg seconded the motion, which passed unanimously.

MOWING AND MAINTENANCE OF DISTRICT PROPERTY

The Board reviewed and discussed pending resident requests.

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. Carner stated Glamco had previously advised the area was still too wet to complete the previously authorized work and once the area is dry the area will be regraded, and the two pallets of bermuda grass will be laid. She stated if any updates are provided by Glamco between meetings, the information will be provided to the Board; otherwise, an update will be provided at the next Board meeting.

The Board discussed correspondence previously reviewed at the December 13, 2023, Board meeting from a resident on Sunny Meadow Drive regarding the removal of broken tree limbs. Ms. Carner stated Glamco had previously advised that the area was still too wet to complete the previously authorized work, and the removal will most likely take place closer to the summer. She stated if any updates are provided by Glamco between meetings, the information will be provided to the Board; otherwise, an update will be provided at the next Board meeting.

The Board discussed correspondence previously reviewed at the February 28, 2024, Board meeting from a resident on Farm Hill Way regarding drainage concerns within their backyard and concerns regarding maintenance behind and adjacent to their residence. Ms. Carner stated the Board approved a proposal at the last Board meeting for Glamco to regrade behind the fences, remove dead trees, install select fill, and overseed the bermuda grass in the area. She stated Glamco was waiting for the area to

dry out to complete the authorized work. Ms. Carner discussed additional correspondence received requesting an increase in maintenance from quarterly to every 4-6 weeks due to the increase in vegetation growth. A copy of the correspondence is attached. Following discussion, the Board deferred discussion of this request pending completion of the drainage improvements.

The Board discussed correspondence previously reviewed at the March 27, 2024, Board meeting from a resident on Legend Ridge Court regarding maintenance of a green space behind their residence. Ms. Carner stated Glamco had previously advised that the area is still too wet to perform the quarterly maintenance and once the area is dry, it will be maintained.

The Board reviewed correspondence received from a resident on Summer Place Court requesting the removal of a barbed wire fence behind their residence. A copy of the correspondence is attached. Ms. Carner informed the Board that Glamco stated they would remove the barbed wire fence the next time they were in the District.

The Board reviewed correspondence received from a resident on Southpoint Way Court regarding erosion concerns behind their residence and inquiring whether there is supposed to be irrigation in the area. A copy of the correspondence is attached. Ms. Carner informed the Board that Glamco stated it is a natural area and was not designed to have irrigation. Following discussion, the Board concurred to take no action on this matter.

The Board reviewed correspondence received from a resident on Parkside Passage Drive regarding the removal of a downed tree limb on their fence. A copy of the correspondence is attached. Ms. Carner stated Glamco removed the tree limb on April 23, 2024.

The Board reviewed correspondence received from a resident on Farm Hill Way regarding the removal of dead blood weeds adjacent to their residence during the next quarterly maintenance. A copy of the correspondence is attached. Ms. Carner stated the correspondence was forwarded to Glamco for further handling.

Ms. Carner discussed correspondence received during the meeting from a resident on Spring Woods Drive requesting the removal of a dead tree behind his residence. Following discussion, the Board requested Glamco investigate further and remove the tree per the District's usual policy, if needed.

REPORT ON DEVELOPMENT

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

CITY OF FULSHEAR MATTERS

There was no discussion on this agenda item.

DISCUSS MEETING SCHEDULE

The Board concurred to hold their next regular meeting on Wednesday, May 22, 2024, at ABHR.

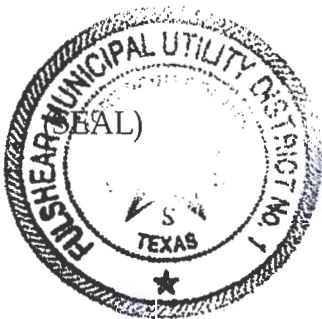
COMMENTS FROM THE PUBLIC CONT'D

Ms. Prather addressed the Board regarding erosion in the District and if the repairs will affect her residence.

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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