

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 5

August 22, 2024

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 5 (the "District") met in regular session, open to the public, on the 22nd day of August, 2024, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Nancy E. Hedrick	President
John Metzger	Vice President
Bobby J. Adams	Secretary
LaToya Phillips	Assistant Vice President
Carol Walker	Assistant Secretary

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

Also attending the meeting were Albert Ramirez of Lake Management Services ("LMS"); David Smalling of Robert W. Baird & Co. Incorporated ("Baird"); Lieutenant Hansen of Fort Bend County Constable's Office; Brian Krueger of FORVIS, LLP ("Forvis"); Sarah Valladeres of Stormwater Solutions, LLC ("SWS"); Brandon West of Touchstone District Services ("Touchstone"); Greg Dubiel of Municipal Operations & Consulting, Inc. ("MOC"); Veronica Hernandez of McLennan & Associates, L.P.; Kristy Hebert of Tax Tech, Inc.; Angel Ruvalcaba of KGA/DeForest LLC; Brian Rabenaldt of R. G. Miller Engineers, Inc. ("RGM"); Justin Wagner of Woodmere Development Co., Ltd. ("Woodmere"); and Greer Pagan and Alyssa Peruchini of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENT

There being no members of the public requesting to make public comment, the Board then moved to the next agenda item.

MINUTES

The Board considered approving the minutes of July 25, 2024, regular meeting. After review and discussion, Director Hedrick moved to approve the minutes, as corrected. Director Metzger seconded the motion, which passed unanimously.

ARBITRAGE REBATE REPORT FOR THE SERIES 2019 REFUNDING BONDS

Mr. Pagan stated that OmniCap Group LLC has completed the Arbitrage Rebate Report on the Series 2019 Refunding Bonds (the "Report"). He added that the Report reflects that no yield reduction payment is due to the Internal Revenue Service.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Hernandez presented the bookkeeper's report and invoices for the Board's review. A copy of the bookkeeper's report, including a list of checks presented for approval, is attached. Following review and discussion, Director Hedrick moved to approve the bookkeeper's report, and payment of the invoices. Director Metzger seconded the motion, which was approved by unanimous vote.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Hebert presented the tax assessor/collector's reports and invoices for the Board's review. A copy of the tax assessor/collector's reports, including a list of checks presented for approval, is attached. She reported that 98.97% of the 2023 taxes had been collected as of July 31, 2024. After review and discussion, Director Metzger moved to approve the tax assessor/collector's reports and payment of the invoices. Director Hedrick seconded the motion, which passed unanimously.

2024 TAX RATE

Mr. Smalling distributed and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2024 water, sewer, and drainage debt service tax rate of \$0.87 per \$100 of assessed valuation, based on the District's initial 2024 certified value of \$451,494,149 with an additional \$2,722,250 remaining uncertified. A copy of the debt service tax rate analysis is attached. The Board then discussed the District's operation and maintenance tax rate. Mr. Pagan discussed the two-step process for setting the District's tax rate. Following review and discussion, Director Walker moved to (1) set the public hearing date for 11:00 a.m., on September 26, 2024; and (2) authorize the tax assessor/collector to publish notice in the Fort Bend Herald of the District's meeting on September 26, 2024, to consider the proposed 2024 total tax rate of \$1.25 per \$100 of assessed valuation, with \$0.87 allocated for debt service on water, sewer, and drainage bonds, and \$0.38 allocated for operations and maintenance. Director Hedrick seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Mr. Rabenaldt presented the engineer's report, a copy of which is attached.

Mr. Rabenaldt requested authorization for the engineer to advertise for bids for the Briarwood Crossing, Section 18 and Courageous Trail Street Extension, Phase 1 projects.

Mr. Rabenaldt stated design is underway for the following projects: (1) Briarwood Crossing, Section 19; (2) Briarwood Crossing, Section 20; (3) Briarwood Crossing, Section 21; and (4) Regional Permanent Wastewater Treatment Plant, Phase 1.

Mr. Rabenaldt updated the Board on the status of Interim Wastewater Treatment Plant Phase 3.

Mr. Rabenaldt updated the Board regarding the status of construction of Briarwood Crossing Detention 5 (A-C). He reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$168,190.41 payable to Northtex Construction, LLC ("Northtex").

Mr. Rabenaldt updated the Board on the status of construction of water, sewer, and drainage facilities to serve Briarwood Crossing, Section 13.

Mr. Rabenaldt updated the Board regarding the status of construction of water, sewer, and drainage facilities to serve Briarwood Crossing, Section 17. He reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$714,849.87 payable to Principal Services, Ltd. ("Principal").

The Board considered accepting a Special Warranty Deed for the conveyance of Restricted Reserve B of Briarwood Crossing Section 13 granted by Woodmere Development.

Following review and discussion, Director Metzger moved to (1) approve the Engineer's Report as presented; (2) approve plans and specifications and authorize advertisement for bids for the following projects: (i) Briarwood Crossing, Section 18; and (ii) Courageous Trail Street Extension, Phase 1 projects; (3) approve Pay Estimate No. 2 in the amount of \$168,190.41 payable to Northtex for the construction of the Briarwood Crossing Detention 5 (A-C); (4) approve Pay Estimate No. 2 in the amount of \$714,849.87 payable to Principal for the construction of water, sewer, and drainage facilities to serve Briarwood Crossing, Section 17; and (5) authorize execution of a Special Warranty Deed from Woodmere Development. Director Hedrick seconded the motion, which passed by unanimous vote.

DISCUSS REMAINING BOND AUTHORIZATION

No action was taken on this agenda item.

SERIES 2024 UNLIMITED TAX BONDS

APPROVE PRELIMINARY OFFICIAL STATEMENT FOR THE DISTRICT'S UNLIMITED TAX BONDS, SERIES 2024

Mr. Smalling reviewed the Preliminary Official Statement and Official Notice of Sale for the Series 2024 Unlimited Tax Bonds (the "Series 2024 Bonds"). After review and discussion, Director Metzger moved to approve the Preliminary Official Statement and Official Notice of Sale, subject to final attorney and consultant review. Director Hedrick seconded the motion, which passed by unanimous vote.

ENGAGE RATING COMPANY TO PERFORM CREDIT RATING ANALYSIS

Mr. Smalling recommended engaging Moody's Investors Services to perform a credit rating analysis for the Series 2024 Bonds. After review and discussion, Director Metzger moved to engage Moody's Investors Services to perform a credit rating analysis for the Series 2024 Bonds. Director Hedrick seconded the motion, which carried by unanimous vote.

APPOINT PAYING AGENT/REGISTRAR

The Board considered appointing a Paying Agent/Registrar for the Series 2024 Bonds. Following review and discussion, Director Metzger moved to appoint Bank of Oklahoma as Paying Agent/Registrar for the Series 2024 Bonds. Director Hedrick seconded the motion, which passed by unanimous vote.

AUTHORIZE ADVERTISEMENT FOR SALE OF THE SERIES 2024 BONDS AND SCHEDULE BOND SALE

After discussion, Director Metzger moved to conduct the bond sale on September 26, 2024, and authorize advertisement for sale of the Series 2024 Bonds, subject to receipt of the appropriate approval documents from the Texas Commission on Environmental Quality. Director Hedrick seconded the motion, which passed unanimously.

ENGAGE AUDITOR TO PREPARE DEVELOPER REIMBURSEMENT REPORT

Mr. Krueger presented and reviewed a proposal from Forvis, to prepare a developer reimbursement report for the sale of the District's Series 2024 Unlimited Tax Bonds. After review and discussion, Director Metzger moved to approve the proposal to engage Forvis to prepare the developer reimbursement report for the Bonds and direct that the proposal be filed appropriately and retained in the District's official records. Director Hedrick seconded the motion, which carried by unanimous vote.

SECURITY MATTERS

The Board discussed security options for the District. Lieutenant Hansen then reviewed and distributed pricing and a proposal from Fort Bend County Precinct 4 Constable's Office, ("FBC Constable's Office") in the annual amount of \$289,070, for two officers to patrol the District. Following review and discussion, Director Phillips moved to approve the proposal submitted by FBC Constable's Office for security of the District. Director Metzger seconded the motion, which carried by unanimous vote.

LANDSCAPE ARCHITECT'S REPORT

Mr. Ruvalcaba reviewed the landscape architect's report, a copy of which is attached.

Mr. Ruvalcaba updated the Board regarding Briarwood Crossing Phase 2 Section 18 and Briarwood Crossing Courageous Trail Landscape Improvements.

Mr. Ruvalcaba stated that bids were received for construction of Briarwood Crossing Phase 2, Section 13 landscaping improvements. He recommended that the Board award the contract to Triple E Growers, Inc. ("Triple E") in the amount of \$223,682.50. The Board concurred that, in its judgment, Triple E 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. Ruvalcaba stated that bids were received for construction of Briarwood Crossing Phase 2, Section 17. He recommended that the Board award the contract to H.L.U. Services, Inc. ("HLU") in the amount of \$127,365.98. The Board concurred that, in its judgment, HLU 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. Ruvalcaba updated the Board regarding the construction of Briarwood Crossing Phase 2, Section 12. He reviewed and recommended approval of Pay Estimate No. 2, in the amount of \$129,712.77, payable to Triple E.

Following review and discussion, and based upon the landscape architect's recommendation, Director Metzger moved to (1) approve the landscape architects' report as presented; (2) moved to award the contract for construction of Briarwood Crossing Phase 2, Section 13 to Triple E in the amount of \$127,365.98, based upon the landscape architect'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) moved to award the contract for construction of Briarwood Crossing Phase 2, Section 17 to HLU in the amount of \$127,365.98, based upon the landscape architect'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; and (4) approve Pay Estimate No. 2, in the amount of

\$129,712.77, payable to Triple E, for Briarwood Crossing Phase 2, Section 12. Director Walker seconded the motion, which passed by a unanimous vote.

MAINTENANCE OF DETENTION AND AMENITY PONDS

Mr. Ramirez reviewed the maintenance of detention and amenity ponds. He reviewed and recommended approval of a proposal for the repair of the fountain at Briarwood Lake 8, in the amount of \$845.62. Following review and discussion, Director Metzger moved to approve the proposal. Director Walker seconded the motion, which passed by a unanimous vote.

OPERATION OF DISTRICT FACILITIES

Mr. Dubiel presented the monthly operator's report and reported on repairs and maintenance of the District's facilities. A copy of the operator's report is attached. Mr. Dubiel stated that there were no new residential taps installed during the month of July. He requested approval to submit one account in the amount of \$116.48 to collections. Following review and discussion, Director Metzger moved to (1) approve the operator's report; and (2) authorize submittal of one account in the amount of \$116.48 to collections. Director Phillips seconded the motion, which was passed by a unanimous vote.

TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

The Board conducted a hearing on termination of utility service. Mr. Dubiel informed the Board that the customers included on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to this meeting of the opportunity to appear before the Board to explain, contest, or correct their utility service bill and to show reason for nonpayment. After review and discussion, Director Metzger moved to terminate utility service to all customers included on the termination list in accordance with the District's Rate Order if their utility bills are not paid because said customers were neither present at the meeting nor had presented any written statement on the matter and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Phillips seconded the motion, which was approved by unanimous vote.

REPORT FROM STORM WATER SOLUTIONS

Ms. Valladares reviewed a report from Storm Water Solutions. A copy of which is attached. She then reviewed a corrected annual maintenance budget, in the amount of \$152,835.00. Following review and discussion, Director Metzger moved to approve the corrected annual maintenance budget, in the amount of \$152,835.00. Director Hedrick seconded the motion, which passed unanimously.

TOUCHSTONE DISTRICT SERVICES

Mr. West presented and reviewed a report on the District's website. A copy of which is attached.

MOSQUITO SPRAYING SERVICES

The Board discussed the mosquito spraying services provided by Cypress Creek Mosquito Control, Inc. No action was taken by the Board.

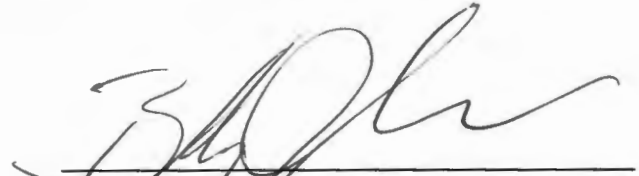
DEVELOPER'S REPORT

Mr. Wagner updated the Board on home sales and development in the District.

MEETING SCHEDULE

The Board concurred to conduct the next regular meeting on September 26, 2024, at 11:00 a.m.




Secretary, Board of Directors

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