

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 5

July 25, 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 25th day of July, 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, thus constituting a quorum.

Also attending the meeting were Anvi Patel of Forvis Mazars, LLP ("Forvis"); Sarah Valladeres of Stormwater Solutions, LLC ("SWS"); Michael Willett, Dee Russell and Justin Waggoner 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; Enrique Sanchez of R. G. Miller Engineers, Inc. ("RGM"); Justin Wagner of Woodmere Development Co., Ltd. ("Woodmere"); and Greer Pagan and Carli Trojcek 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 June 27, 2024, regular meeting. After review and discussion, Director Metzger moved to approve the minutes, as corrected. Director Adams seconded the motion, which passed unanimously.

ENGAGE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END JULY 31, 2024

Ms. Patel reviewed a proposal from Forvis to conduct the audit for the District's fiscal year end July 31, 2024, for an amount of \$20,400.00, plus expenses. After review and discussion, Director Adams moved to engage Forvis to conduct the audit for the District's fiscal year ending July 31, 2024. Director Metzger seconded the motion, which passed by unanimous vote.

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.

Ms. Hernandez presented a budget for fiscal year end July 31, 2025, a copy of which is attached to the bookkeeper's report.

Following review and discussion, Director Hedrick moved to (1) approve the bookkeeper's report, and payment of the invoices; and (2) adopt the budget for the fiscal year end July 31, 2025. Director Phillips seconded the motion, which was approved by unanimous vote.

DISCUSS PER DIEMS AND DIRECTOR REIMBURSEMENT POLICY

Mr. Pagan presented and reviewed the District's existing Travel Reimbursement Guidelines and the existing Resolution Establishing Director Fees of Office and District Reimbursement Policy.

Discussion ensued regarding activities that qualify for per diems. Mr. Pagan suggested that Board members disclose a particular event beforehand to notify the other directors. Ms. Walker also requested the Board consider creating a budget line item for computers and printers for District work.

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 98.82% of the 2023 taxes had been collected as of June 30, 2024. After review and discussion, Director Adams moved to approve the tax assessor/collector's reports and payment of the invoices. Director Metzger seconded the motion, which passed unanimously.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2024 TAX YEAR

Mr. Pagan discussed recent legislative changes to the "truth-in-taxation" property tax calculations and tax levy process for water districts in Chapter 49, Texas Water Code. He stated that such legislation established three main categories for water districts, based on a district's development status and/or tax rate. Mr. Pagan reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code. Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developing District for the 2024 tax year. Following review and discussion, Director Metzger moved to adopt a

Resolution Regarding Development Status for 2024 Tax Year establishing the District as a Developing District for the 2024 tax year, pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Hedrick seconded the motion, which passed unanimously.

ENGINEERING MATTERS

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

Mr. Sanchez stated design is underway for the following projects: (1) Briarwood Crossing, Section 18; (2) Briarwood Crossing, Section 19; (3) Briarwood Crossing, Section 20; (4) Briarwood Crossing, Section 21; and (5) Courageous Trail Street Extension, Phase 1.

Mr. Sanchez updated the Board on the status of the Regional Permanent Wastewater Treatment Plant, Phase 1.

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

Mr. Sanchez updated the Board regarding the status of construction of Briarwood Crossing Detention 5 (A-C). He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$31,522.23 payable to Northtex Construction, LLC ("Northtex").

Mr. Sanchez updated the Board on the status of construction of water, sewer, and drainage facilities to serve Briarwood Crossing, Section 13. He reviewed and recommended approval of Pay Estimate No. 1 and No. 2 in the amounts of \$99,884.88 and \$433,026.83 payable to Fellers and Clark, LP ("FCLP").

Mr. Sanchez updated the Board regarding the status of construction of water, sewer, and drainage facilities to serve Briarwood Crossing, Section 17.

Mr. Sanchez requested the Board to accept the conveyance of the 0.1259-acre Restricted Reserve B of Briarwood Crossing Section 17 ("Tract 1"); the conveyance of Restricted Reserve D of Briarwood Crossing Section 17 ("Tract 2"); and authorize execution of a Special Warranty Deed from Woodmere.

Following review and discussion, Director Adams moved to (1) approve the Engineer's Report as presented; (2) approve Pay Estimate No. 1 in the amount of \$31,522.23 payable to Northtex for the construction of the Briarwood Crossing Detention 5 (A-C); (3) approve Pay Estimate No. 1 and No. 2 in the amounts of \$99,884.88 and \$433,026.83 payable to FCLP for the construction of water, sewer, and drainage facilities to serve Briarwood Crossing, Section 13; and (4) accept the conveyance of Tract 1 and Tract 2 and authorize execution of a Special Warranty Deed

from Woodmere Development. Director Hedrick seconded the motion, which passed by unanimous vote.

UPDATE ON BOND APPLICATION NO. 13

Mr. Sanchez updated the Board regarding the status of Bond Application No. 13.

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.

Mr. Ruvalcaba presented and reviewed a proposal for the preparation of plans and specifications for the Briarwood Crossing Courageous Trail Landscape Improvements, in the amount of \$1,195,857.63.

Mr. Ruvalcaba stated design is underway for the following projects: (1) Briarwood Crossing Phase 2 Section 13 landscaping improvements; and (2) Briarwood Crossing Phase 2 Section 17 landscaping improvements.

Mr. Ruvalcaba updated the Board on the status of the Briarwood Crossing Phase 2, Section 17 Landscape Improvements. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$64,096.81 payable to Triple E.

Following review and discussion, and based upon the landscape architect's recommendation, Director Adams moved to (1) approve the landscape architect's report as presented; (2) approve the proposal for the preparation of plans and specifications for the Briarwood Crossing Courageous Trail Landscape Improvements, in the amount of \$1,195,857.63; (3) approve Pay Estimate No. 1 in the amount of \$64,096.81 payable to Triple E for the Briarwood Crossing Phase 2, Section 17 Landscape Improvements. Director Phillips seconded the motion, which passed by a unanimous vote.

MAINTENANCE OF DETENTION AND AMENITY PONDS

There was no discussion on this agenda item.

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 June. He requested approval to submit 1 account in the amount of \$73.67 to collections.

Following review and discussion, Director Metzger moved to (1) approve the operator's report; and (2) authorize submittal of 1 account in the amount of \$73.67 to collections. Director Adams seconded the motion, which was passed by a unanimous vote.

Mr. Dubiel updated the Board regarding operations during Hurricane Beryl. He stated the District will be experiencing a water shutdown due to an operation improvement. He stated resident's doors will be tagged and signs will be placed in and around the District notifying homeowners of same. He noted when the water is turned back on there will be a brief time when residents will need boil their water for consumption purposes.

ELECTRONIC PAYMENT PROCESSING AGREEMENT WIT CHASE BANK

Mr. Dubiel reviewed and recommended approval of the following documents with JPMorgan Chase Bank, N.A.: (i) Terms and Conditions for Merchant Services Processing, (ii) Electronic Check Processing Addendum to Terms and Conditions for Merchant Processing, and (iii) Merchant Attestation and Amendment of Agreement with ECP Addendum Terms. After review and discussion, Director Adams moved to approve and authorize execution of the requested documents. Director Metzger seconded the motion, which passed unanimously.

TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

The Board concurred to take no action on this agenda item and defer termination of water and sewer service to delinquent customers due to Hurricane Beryl.

SECURITY MATTERS

Mr. Pagan discussed security options for the District. Discussion ensued regarding speeding, illegal parking and the appropriate parties to contact for action. Mr. Pagan stated ABHR will coordinate with Fort Bend County to obtain proposals and present at the next meeting.

REPORT FROM STORM WATER SOLUTIONS

Ms. Valladares reviewed a report from Storm Water Solutions. A copy of which is attached.

Ms. Valladares reviewed and presented three proposals from SWS: (1) a proposal to mow overgrown vegetation behind homes within Fairpark Crossing Section 11, Reserves A & B, in the amount of \$2,000.00; (2) to mow overgrown vegetation near the District's wastewater treatment plant, in the amount of \$3,500.00; and (3) a proposed annual maintenance budget, in the amount of \$52,835.00.

Following review and discussion, Director Metzger moved to approve the three proposals from SWS, as detailed above. Director Adams seconded the motion, which passed unanimously.

Discussion ensued regarding who was responsible for spraying mosquitos in the District. Director Phillips requested Mr. Wagner to coordinate with the company they are contracted with that provides this service and ensure there is a schedule in place.

TOUCHSTONE DISTRICT SERVICES

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

Mr. West then presented and reviewed four proposals from Touchstone: (1) a proposal for election education support, for an initial set-up fee of \$3,450.00 and then \$2,850.00 as an on-going monthly fee; (2) a proposal for District shirts, for an amount of \$60.00 to create the logo and then \$48.00 - \$55.00 per shirt; (3) a proposal for director email accounts, for an initial set-up fee of \$150.00 and then \$30.00 fee per month/per director account; and (4) a proposal for an emergency alert system, for an initial set-up fee of \$750.00, if bundled with website creation the fee would \$950.00 and then \$200.00 as an on-going monthly maintenance fee.

Following review and discussion, Director Phillips moved to approve the proposal for director email accounts, as detailed above. Director Adams seconded the motion, which passed unanimously.

The Board deferred action on the other proposals until the next meeting.

DEVELOPER'S REPORT

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

MEETING SCHEDULE

The Board concurred to conduct the next regular meeting on August 22, 2024, at 11:00 a.m.




Secretary, Board of Directors

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