

MINUTES
GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 68

October 19, 2021

The Board of Directors (the "Board") of Galveston County Municipal Utility District No. 68 (the "District") met in regular session, open to the public, on the 19th day of October, 2021, at Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Suzanne Ross	President
Robert Eaton	Vice President
John Bays	Secretary
Cory Burton	Assistant Secretary
Bobby Rich	Assistant Vice President

and all of the above were present except Directors Eaton and Bays, thus constituting a quorum.

Also attending the meeting in person or by telephone were Renee Butler of McLennan & Associates, L.P.; Odett McMullen of Bob Leared Interests; David Corbin and Jason Robinett of Costello, Inc.; Scott Gray of Champions Hydro-Lawn, Inc.; Arturo Gonzalez of M/I Homes of Houston, LLC; Tony Padua of Trails of Woodhaven Lakes, Ltd.; and Tim Austin, Kathryn Easey and Danielle Hudson of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENT

There were no public comments.

OPERATIONS AND SERVICE REQUIREMENTS RELATING TO COVID-19 EPIDEMIC AND RATIFICATION OF ANY EMERGENCY ACTIONS, IF NECESSARY

Mr. Austin generally reviewed operations and service requirements relating to the COVID-19 epidemic and stated there were no issues to report at this time. The Board took no action on this agenda item.

APPROVE MINUTES

The Board considered approving the minutes of the September 21, 2021, meeting. After review and discussion, Director Rich moved to approve the minutes as submitted. Director Burton seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Butler presented and reviewed the bookkeeper's report and the investment report, copies of which are attached. Following review and discussion, Director Burton moved to approve the bookkeeper's report and investment report, and to authorize payment of the District's bills. Director Rich seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. McMullen presented and reviewed the tax assessor/collector's report for the month of September, including the bills presented for payment and the delinquent tax roll. A copy of the tax report is attached. After review and discussion, Director Burton moved to approve the tax assessor/collector's report and payment of the tax bills. Director Ross seconded the motion, which passed unanimously.

DETENTION POND AND OUTFALL CHANNEL FACILITIES REPORT

Mr. Gray presented and reviewed the detention and drainage facilities report, a copy of which is attached.

MS4 STORM WATER MANAGEMENT MATTERS

There was no update regarding MS4 storm water management matters.

ENGINEERING MATTERS

Mr. Corbin presented and reviewed a report on engineering matters, a copy of which is attached.

Mr. Corbin updated the Board regarding the status of plan approval for the paving and water, sewer, and drainage facilities to serve Trails at Woodhaven Lakes, Section 1.

Mr. Corbin stated that rebids were received for the mass grading project to serve Trails at Woodhaven Lakes. He recommended that the Board award the contract to Mako, LLC ("Mako") in the amount of \$566,110.20. The Board concurred that, in its judgment, Mako is a responsible bidder who will be most advantageous to the District and will result in the best and most economical completion of the project.

Mr. Corbin stated that bids were received for the construction of the paving and water, sewer, and drainage facilities to serve Sunset Grove, Section 4. He recommended that the Board award the contract to R Construction Civil, LLC ("R Construction") in the amount of \$1,170,778.70 (\$791,997.70 of which is for the water, sewer, and drainage facilities, and \$378,781.00 of which is for paving). The Board concurred that, in its

judgment, R Construction is a responsible bidder who will be most advantageous to the District and will result in the best and most economical completion of the project.

Mr. Corbin updated the Board regarding construction of the detention pond and mass grading improvements to serve Ambrose. He reviewed and recommended approval of Pay Estimate No. 7 in the amount of \$68,193.06, payable to Paskey, Inc.

Mr. Corbin updated the Board regarding construction of the Phase II Detention Improvements and Mass Grading for Sunset Grove, Sections 3, 4, 5, 6 and Partial Ambrose Section 1 and Ditch 9G Improvements. He reviewed and recommended approval of Pay Estimate No. 5 in the amount of \$155,987.50 (all of which is KB Home Lone Star Inc.'s share of the cost) payable to Longhorn Excavators, Inc.

Mr. Corbin updated the Board regarding construction of the paving and water, sewer, and drainage facilities to serve Sunset Grove, Section 3. He reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$258,043.23, payable to R Construction.

Mr. Corbin updated the Board regarding construction of the water, sewer, and drainage facilities to serve Ambrose, Section 1. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$406,135.16, payable to Blazey Construction Services, LLC.

Mr. Corbin stated bond application no. 4 was submitted to the TCEQ on September 20, 2021, and a declaration of administrative completeness letter has been received.

Following review and discussion, Director Ross moved (1) to approve the engineer's report; (2) to award the contract for the mass grading project to serve Trails at Woodhaven Lakes to Mako in the amount of \$566,110.20, 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) to award the contract for the construction of the water, sewer, and drainage facilities to serve Sunset Gove, Section 4 to R Construction in the amount of \$1,170,778.70 (\$791,997.70 of which is for the water, sewer, and drainage facilities, and \$378,781.00 of which is for paving), 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; (4) based on the engineer's recommendation, to approve Pay Estimate No. 7 in the amount of \$68,193.06 for construction of the detention pond and mass grading improvements to serve Ambrose; (5) based on the engineer's recommendation, to approve Pay Estimate No. 5 in the amount of \$155,987.50 (all of which is KB Home Lone Star Inc.'s share of the cost) for construction of the Phase II Detention Improvements and Mass Grading for Sunset Grove, Sections 3, 4, 5, 6 and Partial Ambrose Section 1

and Ditch 9G Improvements; (6) based on the engineer's recommendation, to approve Pay Estimate No. 2 in the amount of \$258,043.23 for construction of the paving and water, sewer, and drainage facilities to serve Sunset Grove, Section 3; and (7) based on the engineer's recommendation, to approve Pay Estimate No. 1 in the amount of \$406,135.16 for construction of the water, sewer, and drainage facilities to serve Ambrose, Section 1. Director Burton seconded the motion, which passed unanimously.

REVIEW FINAL ARBITRAGE REBATE REPORT FOR THE SERIES 2009 BONDS

Mr. Austin reviewed the arbitrage rebate report for the District's Series 2009, Unlimited Tax Bonds. He noted that the report indicates that no arbitrage payment is owed. The Board took no action on this item.

ANNUAL REPORT AND AUTHORIZE FILING OF SAME IN ACCORDANCE WITH THE DISTRICT'S CONTINUING DISCLOSURE OF INFORMATION AGREEMENT AND AS REQUIRED BY SEC RULE 15C2-12

Mr. Austin presented and reviewed the District's Annual Report, containing the District's audit, to be filed in accordance with the continuing disclosure provisions contained in the District's bond resolutions. Following review and discussion, Director Burton moved to approve the Annual Report, authorize ABHR to file the Annual Report in compliance with the continuing disclosure provisions contained in the District's bond resolutions, and direct that the Annual Report be filed appropriately and retained in the District's official records. Director Ross seconded the motion, which passed unanimously.

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. Mr. Austin stated that no changes are required at this time.

REPORT REGARDING DEVELOPMENT

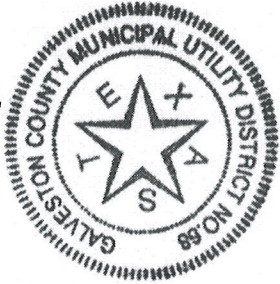
Mr. Padua and Mr. Gonzalez generally reviewed development plans in the District.

NEXT MEETING DATE AND AGENDA ITEMS

Following discussion, the Board concurred to hold its next meeting on November 16, 2021, at 11:30 a.m.

There being no further business to come before the Board, the meeting was adjourned.

SEAL



Cy 30
Asst. Secretary, Board of Directors

ATTACHMENTS TO MINUTES

	<u>Minutes</u>
	<u>Page</u>
Bookkeeper's report.....	2
Tax assessor/collector's report	2
Detention and Drainage Facilities report	2
Engineer's report.....	2