

MINUTES
FIRST COLONY MUNICIPAL UTILITY DISTRICT NO. 10

June 8, 2022

The Board of Directors (the “Board”) of First Colony Municipal Utility District No. 10 (the “District”) met in regular session open to the public, on the 8th day of June, 2022, at the offices of First Colony Community Services Association (“FCCA”), 4350 Austin Parkway, Sugar Land, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Rodney L. Craig	President
Zac Cypert	Vice President
John E. Peper	Secretary
Stephen D. Higgins	Assistant Vice President
Marta Mohan	Assistant Secretary

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

Also present for all or part of the meeting were Jere Crean of the Greater Houston Rowing Club; Jorge Diaz of McLennan & Associates, L.P; Greg McGrath of McGrath & Co., PLLC (“McGrath”); Shammarie Leon of Bob Leared Interests, Inc.; David Pella and Mike Wingard of FCCA; and Greer Pagan and Justine M. Cherne of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENTS

There were no public comments.

APPROVE MINUTES

The Board considered approving the minutes of the April 13, 2022, regular meeting. Following review and discussion, Director Peper moved to approve the meeting minutes, as written. Director Mohan seconded the motion, which passed unanimously.

ENGAGE AUDITOR TO CONDUCT AUDIT

The Board considered engaging McGrath to conduct the District’s audit for the fiscal year ending July 31, 2022. Mr. McGrath stated that the fee to conduct the audit is estimated to be \$11,000.00. He responded to questions regarding the property tax rebates paid to the District by the City of Sugar Land. Mr. Diaz stated that he will review the records and report back on any payments received during 2022. After review and discussion, Director Peper moved to authorize McGrath to conduct the

District's audit for the fiscal year ending July 31, 2022. Director Higgins seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS AND ADOPT BUDGET FOR FISCAL YEAR END JULY 31, 2023

Mr. Diaz presented the bookkeeper's report, including the investment report and the invoices for payment. A copy of the bookkeeper's report is attached. Mr. Diaz responded to questions regarding the interest rates currently being paid on the District's accounts. He stated that he will provide recommendations for investing the District's funds at the next Board meeting.

Mr. Diaz reviewed a proposed budget for the fiscal year ending July 31, 2023, a copy of which is included in the bookkeeper's report. Director Higgins discussed a proposed additional budget amount for maintenance and repair of District facilities. Following discussion, the Board concurred to consider the additional budgeted amount at the next Board meeting.

Following review and discussion, Director Mohan moved to (1) approve the bookkeeper's report and authorize payment of the invoices as presented; and (2) adopt the budget, as presented. Director Peper seconded the motion, which passed unanimously.

Mr. Diaz requested that the Board consider an amendment to the District's Agreement for Services for Bookkeeper at its next meeting.

TAX ASSESSMENT AND COLLECTIONS MATTERS AND AUTHORIZE COLLECTION OF DELINQUENT TAXES

Ms. Leon presented and reviewed the tax assessor/collector's report as of May 31, 2022, including a list of top delinquent taxpayers. Copies of the tax assessor/collector's reports for April and May 2022 are attached. Ms. Leon reported that the District's 2021 taxes were 98.0% collected as of May 31, 2022. She then reviewed the District's preliminary assessed valuation received from the Fort Bend Central Appraisal District.

Ms. Leon presented and reviewed a delinquent tax report from Perdue, Brandon, Fielder, Collins & Mott, L.L.P. dated June 8, 2022, a copy of which is attached. Mr. Pagan explained procedures related to collection of delinquent taxes and additional penalties applied to delinquent taxes, including the additional 20% penalty to be assessed to delinquent taxpayers on July 1, 2022.

Following review and discussion, Director Higgins moved to (1) approve the tax assessor/collector's report and payment of the tax bills; and (2) authorize Perdue, Brandon, Fielder, Collins & Mott LLP to proceed with the collection of delinquent 2022

taxes outstanding as of July 1, 2022. Director Mohan seconded the motion, which passed unanimously.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2022 TAX YEAR

Mr. Pagan discussed the “truth-in-taxation” property tax calculations and tax levy process for water districts. He stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district’s development status and/or tax rate. He 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 Developed District for the 2022 tax year. Following review and discussion, Director Peper moved to adopt a Resolution Regarding Development Status for 2022 Tax Year establishing the District as a Developed district for the 2022 tax year, pursuant to Section 49.23602, Texas Water Code, and direct that the resolution be filed appropriately and retained in the District’s official records. Director Mohan seconded the motion, which passed unanimously.

MAINTENANCE AND REPAIR OF DISTRICT FACILITIES (FCCA) AND COMMUNITY DEVELOPMENT PROJECTS

In response to Mr. Crean’s inquiry, Mr. Pella stated that he will be certain to directly contact Mr. Crean regarding any planned projects that would impact the boathouse.

Mr. Pella discussed FCCA’s previous request for supplemental funding for the District’s Lake Pointe area for the increased amount of flower bed plantings above the average cost of landscape maintenance throughout the rest of FCCA’s service area. He stated that the supplemental funding would be in the annual amount of \$32,419.04, during the January 2022 through December 2024 term of FCCA’s new landscape maintenance service contract. Following discussion, the Board requested that the FCCA’s attorney prepare an amendment to the Maintenance Agreement for Recreational Facilities between the District and FCCA for review at the next meeting.

Mr. Pella reported on the evaluation of options for additional bulkhead repairs. He stated that the Board will be kept updated on the matter.

Mr. Pella reviewed proposals for removing 104 invasive Chinese Tallow trees from along the Brooks Lake Trail and installing replacement trees and irrigation modifications per the horticulturalist’s recommendations in the amount of \$85,425.00. He additionally discussed the schedule and standard FCCA communication practices to be implemented for the project. Discussion ensued regarding homeowner requests for

replacing larger trees with trees that are larger than currently included in the replacement plan. Mr. Pella stated that the requests will be evaluated.

Mr. Pella responded to inquiries and stated that he will follow-up on matters related to fertilizing the Cypress Trees, eradicating apple snails in the lake, removing trash in the bushes, adding bait to the rodent traps, and trimming the trees.

Following review and discussion, Director Higgins moved to approve the budget for removing 104 invasive Chinese Tallow trees from along the Brooks Lake Trail and installing replacement trees and irrigation modifications in the amount of \$85,425.00. Director Mohan seconded the motion, which passed unanimously.

LONG TERM PARK PLANNING AND PROJECT DEVELOPMENT

The Board concurred to defer this item.

BROOKS LAKE TRAIL

In response to Director Craig's inquiry, Mr. Pella stated that he will check on the schedule for cleaning the lights along Brooks Lake Trail.

MEETING SCHEDULE

Following discussion, the Board concurred to meet on September 14, 2022, and November 9, 2022. Director Higgins stated that he is unable to attend in-person on November 9, 2022.

2022 DIRECTORS ELECTION, REORGANIZE THE BOARD, AND FILING OF DISTRICT REGISTRATION FORM

The Board reviewed a Certificate of Election reflecting the election of John E. Peper and Marta Mohan to the Board for four-year terms and the Sworn Statements and Oaths of Office for Directors Peper and Mohan.

The Board considered reorganizing. Following discussion, the Board concurred not to reorganize at this time.

The Board then reviewed an updated District Registration Form containing the terms of the newly elected directors and current contact information for the District's consultants.

Following review and discussion, Director Mohan moved to (1) approve the Certificate of Election and the distribution of same to Directors Peper and Mohan, and direct that the certificate be filed appropriately and retained in the District's official records; (2) approve the Sworn Statements and Oaths of Office and direct that the

documents be filed in the official records of the District, and the Oaths of Office be filed with the Secretary of State, as required; and (3) authorize filing the updated District Registration Form with the Texas Commission on Environmental Quality and direct that the District Registration Form be retained in the District's official records. Director Higgins seconded the motion, which passed unanimously.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.

[SIGNATURE PAGE FOR THE MINUTES OF THE JUNE 8, 2022, BOARD MEETING]

(SEAL)



John Peper
Secretary, Board of Directors

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