

MINUTES
GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 68

October 18, 2022

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 18th day of October, 2022, 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 being present in person or by video:

Suzanne Ross	President
Randy Trncak	Vice President
Cory Burton	Secretary
Joanne Lannin	Assistant Secretary
Bobby Rich	Assistant Vice President

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

Also attending the meeting in person were Renee Butler and Porsche Armstrong of McLennan & Associates, L.P.; Odett Newman of Bob Leared Interests; Jason Robinett of Costello, Inc.; Scott Gray of Champions Hydro-Lawn, Inc.; Anthea Moran of Masterson Advisors LLC; David Gallo of KB Home; Stephen Taussig of Padua Realty; and Heather Trachtenberg and Kathryn Easey of Allen Boone Humphries Robinson LLP ("ABHR").

Director Trncak participated by teleconference.

PUBLIC COMMENT

There were no public comments.

APPROVE MINUTES

The Board considered approving the minutes of the September 20, 2022, meeting. After review and discussion, Director Ross moved to approve the minutes, as submitted. Director Burton seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Butler reviewed the bookkeeper's report and the investment report, copies of which are attached.

Ms. Butler reported check no. 1051 in the original amount of \$510.71 was altered to an amount of \$6,510.71, and the funds were withdrawn from the District's account.

She stated Central Bank credited the District's account in the amount of \$6,510.71. Ms. Butler noted check no. 1051 was reissued as check no. 1067 in the amount of \$510.00 payable to ABHR.

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

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Newman 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 Ross moved to approve the tax assessor/collector's report and payment of the tax bills. Director Burton 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. Robinett presented and reviewed a report on engineering matters, a copy of which is attached.

Mr. Robinett discussed an erosion problem at the northwest outfall structure of the Sunset Grove Detention Pond. Mr. Robinett noted that the structure was completed in 2019 and is no longer covered by the maintenance bond. The Board reviewed a proposed Service Agreement with Principal Services LTD ("Principal") and a proposal from Principal to repair the erosion at the northwest outfall structure in the amount of \$10,000.00.

Mr. Robinett reported Trails at Woodhaven Lakes, Ltd., the developer for Trails at Woodhaven Lakes ("TAWL"), is also developing a senior living site outside the boundaries of the District. He stated the senior living site will utilize TAWL's Amenity Pond A for drainage, and that a second outfall structure will need to be constructed from Amenity Pond A into Galveston County Drainage District 2's Ditch 9. Copies of the paving and drainage layout and site utility plan are attached to the engineer's report. Discussion ensued regarding the maintenance obligations of the future owners of the senior living site for the second outfall structure.

Mr. Robinett updated the Board regarding the design of Sunset Grove Sections 5 and 6. He stated he had no items for the Board's approval.

Mr. Robinett updated the Board regarding construction of the mass grading project at Trails at Woodhaven Lakes. He stated he had no items for the Board's approval.

Mr. Robinett updated the Board regarding construction of the paving and water, sewer, and drainage facilities to serve Trails at Woodhaven Lakes, Section 1. He reviewed and recommended approval of Pay Estimate No. 5 in the amount of \$187,204.63 (all of which is for water, sewer and drainage), payable to Principal.

Mr. Robinett updated the Board regarding construction of the water, sewer, and drainage facilities to serve Ambrose, Section 2. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$624,967.47, payable to Crostex Construction Inc. ("Crostex"). He also reviewed and recommended approval of Change Order No. 1 to the contract with Crostex to increase the contract in the amount of \$8,200.00. The Board determined that Change Order No. 1 is beneficial to the District.

Mr. Robinett requested that the Board authorize preparation of bond application no. 5. Ms. Moran presented and reviewed a cash flow analysis for bond application no. 5, a copy of which is attached.

Following review and discussion, Director Burton moved (1) to approve the engineer's report; (2) to approve the Service Agreement with Principal and the proposal in the amount of \$10,000.00 and direct that the Service Agreement and proposal be filed appropriately and retained in the District's official records; (3) based on the engineer's recommendation, to approve Pay Estimate No. 5 in the amount of \$187,204.63 for construction of the paving and water, sewer, and drainage facilities to serve Trails at Woodhaven Lakes, Section 1; (4) based on the engineer's recommendation and the Board's finding that the change order is beneficial to the District, to approve Pay Estimate No. 1 in the amount of \$624,967.47 and Change Order No. 1 in the amount of \$8,200.00 as an increase to the contract with Crostex for construction of the water, sewer, and drainage facilities to serve Ambrose, Section 2; and (5) to authorize preparation of bond application no. 5. Director Ross seconded the motion, which passed unanimously.

ANNEXATION MATTERS

There was no discussion on this agenda item.

AGREEMENT AND CONSENT TO COLLATERAL ASSIGNMENT OF REIMBURSEMENT AGREEMENT

Ms. Trachtenberg reviewed an Agreement and Consent to Collateral Assignment of Reimbursement Agreement (“Consent”) related to the Financing and Reimbursement Agreement for Water, Sewer, and Drainage Facilities dated August 18, 2020, by and between the District and Trails at Woodhaven Lakes, Ltd. Following review and discussion, Director Burton moved to approve and ratify the Consent, as presented, and direct that the Consent be filed appropriately and retained in the District’s official records. Director Ross seconded the motion, which passed unanimously.

REPORT REGARDING DEVELOPMENT

Mr. Gallo generally discussed development in the District.

NEXT MEETING DATE AND AGENDA ITEMS

Following discussion, the Board concurred to hold its next meeting on November 15, 2022, at 11:30 a.m.

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

SEAL




Secretary, Board of Directors

ATTACHMENTS TO MINUTES

	<u>Minutes</u>
	<u>Page</u>
Bookkeeper's report and investment report	1
Tax assessor/collector's report	2
Detention and Drainage Facilities report	2
Engineer's report.....	2
Cash flow analysis	3