

MINUTES
GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 68

November 15, 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 15th day of November, 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, thus constituting a quorum.

Also attending the meeting were Renee Butler and Blanca Gutierrez of McLennan & Associates, L.P.; Odett Newman of Bob Leared Interests; Sergio Gonzalez of Costello, Inc.; Scott Gray of Champions Hydro-Lawn, Inc.; Anthea Moran of Masterson Advisors LLC; Arturo Gonzalez of M/I Homes of Houston, LLC; and Heather Trachtenberg and Kathryn Easey of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENT

There were no public comments.

APPROVE MINUTES

The Board considered approving the minutes of the October 18, 2022, meeting. After review and discussion, Director Ross moved to approve the minutes, as submitted. Director Rich 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. Following review and discussion, Director Ross moved to approve the bookkeeper's report and investment report and authorize payment of the District's 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.

Mr. Sergio Gonzalez reported that Principal Services, Ltd. completed the Sunset Grove northwest outfall erosion repair.

The Board considered a proposed annual maintenance budget in the amount of \$28,915.00 for mowing and maintaining the Sunset Grove and Ambrose detention ponds. Discussion ensued regarding entering into a maintenance agreement with the respective homeowner associations.

Following discussion, Director Burton moved to approve the proposed annual maintenance budget for mowing and maintaining the Sunset Grove and Ambrose detention ponds, including October overseeding only at the Sunset Grove detention pond for the current year. Director Ross 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 October, 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 Rich seconded the motion, which passed unanimously.

MS4 STORM WATER MANAGEMENT MATTERS

There was no update regarding MS4 storm water management matters.

ENGINEERING MATTERS

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

Mr. Sergio Gonzalez updated the Board regarding construction of the mass grading project at Trails at Woodhaven Lakes. He reviewed and recommended approval of Pay Estimate No. 4 in the amount of \$55,026.41 (retainage only), payable to Mako, LLC ("Mako"). Mr. Sergio Gonzalez also reviewed and recommended approval of Change Order No. 2 to the contract with Mako to decrease the contract in the amount of \$153,488.09 for final quantity adjustment. The Board determined that Change Order No. 2 is beneficial to the District.

Mr. Sergio Gonzalez updated the Board regarding construction of the paving and water, sewer, and drainage facilities to serve Trails at Woodhaven Lakes, Section 1. He stated he had no items for the Board's approval.

Mr. Sergio Gonzalez 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. 2 in the amount of \$509,932.53, payable to Crostex Construction Inc. ("Crostex").

Mr. Sergio Gonzalez updated the Board on the status 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.

The Board considered adopting a Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Project and Bonds (the "Resolution").

The Board considered accepting conveyance of a Special Warranty Deed for all of Reserve A of Sunset Grove Detention from KB Home Lone Star Inc. and a Special Warranty Deed from M/I Homes of Houston, LLC for (1) a 0.9705-acre tract from Reserve "A" of Ambrose Section One Final Plat, (2) a 0.1780-acre tract from Reserve "C" of Ambrose Section One Final Plat, (3) all of Reserve "F" of Ambrose Section One Final Plat, and (4) all of Reserve "G" of Ambrose Section One Final Plat (the "Deeds").

Following review and discussion, Director Ross moved (1) to approve the engineer's report; (2) 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. 4 in the amount of \$55,026.41 and Change Order No. 2 in the amount of \$153,488.09 as a decrease to the contract with Mako for construction of the mass grading project at Trails at Woodhaven Lakes; (3) based on the engineer's recommendation, to approve Pay Estimate No. 2 in the amount of \$509,932.53, payable to Crostex for construction of the water, sewer, and drainage facilities to serve Ambrose, Section 2; (4) to adopt the Resolution and direct that the Resolution be filed appropriately and retained in the District's official records; and (5) to accept conveyance of the Deeds and direct that the Deeds be filed appropriately and retained in the District's official records. Director Lannin seconded the motion, which passed unanimously.

ANNUAL REPORT

Ms. Trachtenberg 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 Lannin 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. Ms. Trachtenberg stated that no changes are required at this time.

REPORT REGARDING DEVELOPMENT

Mr. Arturo Gonzalez generally discussed development in the District.

NEXT MEETING DATE AND AGENDA ITEMS

Following discussion, the Board concurred to hold its next meeting on January 17, 2023, at 11:30 a.m.

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

SEAL




Secretary, Board of Directors

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