

MINUTES
GRAND OAKS MUNICIPAL UTILITY DISTRICT OF MONTGOMERY COUNTY

September 26, 2023

The Board of Directors (the "Board") of Grand Oaks Municipal Utility District of Montgomery County, Texas (the "District"), met in regular session, open to the public, on the 26th day of September, 2023, 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:

Joel R. Scott	President
Brandon Buell	Vice President
Rick Nommensen	Secretary
John Hammond	Assistant Vice President
Jeff Inabnit	Assistant Secretary

and all of the above were present except Directors Scott and Nommensen, thus constituting a quorum.

Also present at the meeting were Barbara Nussa of Republic Services, Inc.; Jennifer Hanna of FORVIS, LLP ("FORVIS"); Doug Jeffery of TNG Utility Corporation ("TNG"); Perry Miller of Champions Hydro-Lawn ("Champions"); Debbie Arellano of Bob Leared Interests; Diego Burgos of Quiddity Engineering, LLC ("Quiddity"); Brenda Garcia of Municipal Accounts & Consulting, L.P.; and Whitney Higgins, Carli Trojcek, and Kathryn Blanton of Allen Boone Humphries Robinson, LLP.

COMMENTS FROM THE PUBLIC

There were no comments from the public.

MINUTES

The Board considered approving the regular meeting minutes of August 22, 2023. After consideration, Director Buell moved to approve the regular meeting minutes of August 22, 2023, as presented. Director Inabnit seconded the motion, which passed unanimously.

GARBAGE COLLECTION MATTERS

Ms. Nussa reported that the District had not received any inquiries or calls regarding garbage collection. She presented a postcard that was mailed to residents notifying them of their 96-gallon cart and trash collection days, a copy of which is attached.

ENGAGE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2023

The Board considered authorizing FORVIS to proceed with preparation of the District's audit report for the fiscal year ending September 30, 2023. Ms. Hanna reviewed an engagement letter and stated the estimated cost for the audit is \$19,000.00, plus \$1,000.00 for administrative expenses. A copy of the engagement letter is attached. Following discussion, Director Buell moved to engage FORVIS to conduct the audit for the fiscal year ending September 30, 2023, authorize execution of the engagement letter, and direct that the letter be filed appropriately and retained in the District's official records. Director Inabnit seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Garcia presented the bookkeeper's report, including the investment report and bills presented for payment, a copy of which is attached.

After review and discussion, Director Hammond moved to approve the bookkeeper's report and payment of the bills. Director Inabnit seconded the motion, which passed unanimously.

ADOPT BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2024

Ms. Garcia reviewed a proposed budget for fiscal year end September 30, 2024, a copy of which is attached to the bookkeeper's report. After review and discussion, Director Hammond moved to adopt the budget for fiscal year end September 30, 2024. Director Inabnit seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Arellano reviewed the tax assessor/collector's monthly report for the previous month, including bills presented for payment and a list of delinquent tax accounts, copies of which are attached. She stated that the District's 2022 taxes were 98.9% collected as of August 31, 2023.

After review and discussion, Director Buell moved to approve the tax assessor/collector's report and the checks presented for payment. Director Hammond seconded the motion, which passed unanimously.

CONDUCT PUBLIC HEARING, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Higgins stated that notice was published of the public hearing to be held at today's meeting regarding adoption of the District's proposed 2023 total tax rate of \$0.80.

The Board concurred to open the public hearing. There being no comments from the public, the Board concurred to close the public hearing.

Ms. Higgins presented an Order Levying Taxes reflecting the proposed 2023 tax rate. She then presented an Amendment to Information Form reflecting the proposed tax rate and stated that the Amendment to Information Form will be filed with the Texas Commission on Environmental Quality and recorded in the Official Public Records of Montgomery County.

After review and discussion, Director Buell moved to (1) adopt the Order Levying Taxes reflecting a total 2023 tax rate of \$0.80 per \$100 of assessed valuation, comprised of \$0.45 to pay debt service on water, sewer, and drainage bonds, and \$0.35 for operations and maintenance; (2) authorize execution of the Amendment to Information Form; and (3) direct that the Order Levying Taxes and Amendment to Information Form be filed appropriately and retained in the District's official records. Director Inabnit seconded the motion, which passed unanimously.

OPERATOR'S REPORT; HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS AND AUTHORIZE TERMINATION OF SERVICE

Mr. Jeffery reviewed the operator's report, a copy of which is attached.

Mr. Jeffery discussed an insurance claim filed by the District following a resident report of damage sustained during a storm in the District.

Mr. Jeffrey discussed correspondence received related to repair of a manhole and sidewalk located at Squirrel Oaks Drive and Saw Oaks Drive. He stated that TNG assessed the location and concurred that the District is responsible for the repair. He requested Board approval for repairs to the manhole and sidewalk in an amount not to exceed \$9,500.00.

Mr. Jeffrey presented a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting, of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment.

Following review and discussion, Director Buell moved to (1) approve the operator's report; (2) authorize TNG to complete repairs to the manhole and sidewalk located at Squirrel Oaks Drive and Saw Oaks Drive, in amount not to exceed \$9,500.00; and (3) authorize termination of delinquent accounts, in accordance with the District's Rate Order, and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Hammond seconded the motion, which passed unanimously.

DRAINAGE AND DETENTION FACILITY MAINTENANCE MATTERS

Mr. Miller reviewed the drainage and detention facility report, a copy of which is attached.

Mr. Miller stated that there were numerous trees down throughout the District following a recent storm. He presented a proposal in the amount of \$5,000.00, submitted by Champions, for cleanup and removal of fallen trees, a copy of which is attached.

Mr. Miller then presented a proposal in the amount of \$10,400.00, submitted by Champions, for cleanup and maintenance of the drainage channel located in Glen Oaks, Section 4, a copy of which is attached.

Mr. Miller stated Champions will be conducting a tree and fence survey and will bring proposals to the October meeting following Champions survey and findings.

Following review and discussion, Director Buell moved to (1) approve the detention and drainage report; (2) approve the proposal in the amount of \$5,000.00, submitted by Champions, for cleanup and removal of fallen trees; and (3) approve the proposal in the amount of \$10,400.00, submitted by Champions, for cleanup and maintenance of the drainage channel located in Glen Oaks, Section 4. Director Hammond seconded the motion, which passed unanimously.

ENGINEER'S REPORT

Mr. Burgos reviewed the engineer's report, a copy of which is attached.

Mr. Burgos updated the Board on the status of Glen Oaks, Section 3, including an update on work related to pavement damage along Butternut Oak Lane. He reported that Daco Paving, Inc. is preparing a revised proposal for paving repairs.

Mr. Burgos updated the Board on the status of construction of paving facilities to serve Glen Oaks, Section 5, stating that Quiddity submitted a revised plan for a roundabout to Montgomery County, which is currently under review.

Mr. Burgos updated the Board on the District's bond application report no. 4.

Mr. Burgos updated the Board on the Emergency Preparedness Plan, as detailed in the engineer's report.

Following review and discussion, Director Buell moved to approve the engineer's report. Director Hammond seconded the motion, which passed unanimously.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

There was no additional discussion on this matter.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

The Board did not convene in executive session.

DISTRICT MEETING SCHEDULE

The Board concurred to hold the next regular meeting on October 24, 2023.

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

(SEAL)




Secretary, Board of Directors

LIST OF ATTACHMENTS

	<u>Page</u>
Republic Service postcard.....	1
FORVIS engagement letter	2
Bookkeeper's report.....	2
Tax assessor/collector's report	2
Operator's report.....	3
Drainage and Detention Facility Report.....	4
Tree removal proposal	4
Channel repair proposal	4
Engineer's report.....	4