

MINUTES
FIRST COLONY MUNICIPAL UTILITY DISTRICT NO. 10

September 13, 2023

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 13th day of September, 2023, 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 in person, thus constituting a quorum.

Also present for all or part of the meeting were Les Newton of Planned Community Developers, Ltd.; David Smalling of Robert W. Baird & Co. Incorporated; Judy Osborn of McLennan & Associates, L.P; Shammarie Leon of Bob Leared Interests, Inc.; David Pella 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 May 10, 2023, regular and May 31, 2023, special meetings. Following review and discussion, Director Higgins moved to approve the meeting minutes, as written. Director Mohan seconded the motion, which passed unanimously, except for Director Cypert who was not present.

REPORT REGARDING NEW DEVELOPMENT IN THE DISTRICT

Mr. Newton updated the Board on the status of the proposed development of a 6.5-acre tract by The Morgan Group to include luxury apartments, co-working office space, and meeting space.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

The Board reviewed a renewal proposal for the District's insurance policies expiring on November 29, 2023. After review and discussion, Director Higgins moved to accept the proposal from McDonald & Wessendorff Insurance for renewal of the District's insurance policies in the amount of \$12,073.00. Director Mohan seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Osborn presented the bookkeeper's report, including the investment report and the invoices for payment. A copy of the bookkeeper's report is attached. Discussion ensued regarding anticipated revenues. Following review and discussion, Director Higgins moved to approve the bookkeeper's report and authorize payment of the invoices as presented. Director Peper seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Leon reviewed the tax assessor/collector's reports for May through August, 2023, including a list of the checks presented for approval. Copies of the tax assessor/collector's reports are attached. Ms. Leon reported that the District's 2022 taxes were 99.5% collected as of August 31, 2023. Following review and discussion, Director Cypert moved to approve the tax assessor/collector's reports and payment of the tax bills. Director Mohan seconded the motion, which passed unanimously.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2023 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 2023 tax year. Following review and discussion, Director Mohan moved to adopt a Resolution Regarding Development Status for 2023 Tax Year establishing the District as a Developed District for the 2023 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 Peper seconded the motion, which passed unanimously.

DISCUSS 2023 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the District's 2023 tax rate. Mr. Smalling distributed and reviewed a debt service tax rate analysis, a copy of which is attached. Mr. Smalling recommended a total tax rate of \$0.135 per \$100 of assessed valuation based on the District's initial 2023 certified value of \$592,728,325, comprised of a debt service tax rate of \$0.04 per \$100 assessed valuation and an operation and maintenance tax rate of \$0.095 per \$100 assessed valuation. Mr. Pagan discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Mohan moved to authorize the tax assessor/collector to publish notice in a qualified local newspaper of the District's public hearing on October 11, 2023, to set the proposed 2023 total tax rate of \$0.135 per \$100 of assessed valuation, with \$0.04 allocated for debt service and \$0.095 allocated for operations and maintenance. Director Peper seconded the motion, which passed unanimously.

DIRECTOR PER DIEMS

Mr. Pagan stated that House Bill No. 2815, which became effective on June 18, 2023, sets the maximum water district director fees of office at the per diem amount set by the Texas Ethics Commission for members of the legislature. He noted that, pursuant to House Bill No. 2815, the current maximum amount for director fees of office is \$221.00, and going forward, the maximum amount automatically will be indexed for inflation. After discussion, the Board concurred to approve payment of directors' fees of office at the new maximum amount allowed by law, effective as of June 18, 2023.

EXECUTION OF AMENDMENT TO INFORMATION FORM

Mr. Pagan reported on legislation passed by the Texas Legislature to update the language for the Notice to Purchasers form that must be provided by persons proposing to sell or convey real property located in a water district. He said water districts that are required to maintain a website or have access to a website under Section 26.18, Tax Code, are also now required to post their Notice to Purchasers on the applicable website. The Board then considered authorizing execution of an Amendment to Information Form reflecting the District's new form of Notice to Purchasers attached thereto. Mr. Pagan explained that the District is required to file the Amendment to Information Form in the Official Public Records of Real Property of Fort Bend County and with the Texas Commission on Environmental Quality ("TCEQ"). After review and discussion, Director Mohan moved to authorize execution of the Amendment to Information Form and to authorize filing with Fort Bend County and the TCEQ. Director Peper seconded the motion, which passed unanimously.

MAINTENANCE AND REPAIR OF DISTRICT FACILITIES (FCCA), COMMUNITY DEVELOPMENT PROJECTS, BROOKS LAKE TRAIL, AND LONG-TERM PARK PLANNING AND PROJECT DEVELOPMENT

Mr. Pella reported that invoices totaling approximately \$212,346.00 for FCCA's maintenance and repair of District facilities have not been previously submitted to the Board for approval and payment due to FCCA's transfer to a new accounting software a couple of years ago. He stated that he is reviewing the invoices to ensure they are for work performed for the District and procedures will be implemented to ensure future invoices are timely submitted to the District.

Mr. Pella reviewed cost estimates for planting additional trees along the Brooks Lake Trail from (1) Proper Landcare, LLC; (2) The Urban Foresters, and (3) Westco Grounds Maintenance, LLC in the amounts of \$412,800.00, \$210,000.00, and \$116,030.00, respectively. Following review and discussion, Director Higgins moved to approve the proposal from Westco Grounds Maintenance, LLC in the amount of \$116,030.00, subject to the trees being planted prior to December 2023. Director Mohan seconded the motion, which passed unanimously.

Discussion ensued and Mr. Pella responded to Board inquiry regarding erosion repairs performed in the vicinity of the District, and irrigation and drainage matters.

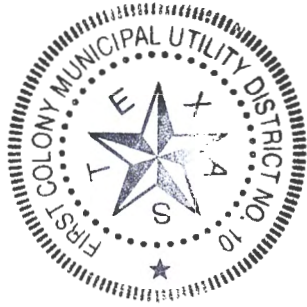
MEETING SCHEDULE

Following discussion, the Board concurred to hold a regular meeting on October 11, 2023.

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

[SIGNATURE PAGE FOR THE MINUTES OF THE SEPTEMBER 11, 2023, BOARD MEETING]

(SEAL)



John Pepe
Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes Page
Bookkeeper's report.....	2
Tax assessor/collector's reports.....	2
2022 Debt Service Tax Rate Analysis	3