

MINUTES
GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 68

October 17, 2023

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 17th day of October, 2023, 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:

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 of McLennan & Associates, L.P.; Odett Newman of Bob Leared Interests; Jason Robinett and David Dunlap of Costello, Inc. ("Costello"); Scott Gray of Champions Hydro-Lawn, Inc.; Anthea Moran of Masterson Advisors LLC; and Heather Trachtenberg and Kathryn Easey of Allen Boone Humphries Robinson LLP ("ABHR").

Ginger Manett, a resident of the District, participated by telephone conference.

PUBLIC COMMENT

Ms. Manett addressed the Board regarding sidewalk repairs where manholes are located in the Saltgrass Crossing subdivision. Mr. Robinett stated the manhole facilities are owned by the City of LaMarque.

APPROVE MINUTES

The Board considered approving the minutes of the September 19, 2023, meeting. After review and discussion, Director Lannin 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 noted check no. 1144 in the amount of \$183.53 payable to Rapid Research for obtaining ownership and lienholder certificates related to a proposed annexation is also being presented for approval, but is not included in her report. Ms. Trachtenberg requested Ms. Butler to prepare a tracking sheet for Century Land Holdings of Texas, LLC ("Century") when the \$15,000.00 annexation deposit is received.

Ms. Butler reviewed an amended District budget for the fiscal year ending May 31, 2024, a copy of which is included in the bookkeeper's report.

The Board requested Ms. Butler to review the bond application report costs expended in the amount of \$7,888.00 related to the Series 2023 bond proceeds and provide an update at the next meeting.

Following review and discussion, Director Burton moved to (1) approve the bookkeeper's report and investment report; (2) authorize payment of the District's bills, including check no. 1144 in the amount of \$183.53 payable to Rapid Research, subject to receipt of the annexation deposit from Century; and (3) approve the District's amended budget as presented. Director Rich seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Newman presented and reviewed the tax assessor/collector's report, including the bills presented for payment and the delinquent tax roll. A copy of the tax report is attached.

The Board considered adopting a Resolution Requesting Appraisal of Property and Certificate of Estimated Appraised Value ("Resolution"), requesting that the Galveston Central Appraisal District provide the total appraised value of taxable property within the District as of December 15, 2023, and authorize the tax assessor/collector to order certificates of assessed value.

After review and discussion, Director Burton moved to (1) approve the tax assessor/collector's report and payment of the tax bills; and (2) adopt the Resolution, authorize the tax assessor/collector to order certificates of assessed value, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Ross 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 discussion on this item.

ENGINEERING MATTERS

Mr. Robinett presented and reviewed a report on engineering matters, a copy of which is attached, and updated the Board on ongoing engineering projects as noted in his report.

Mr. Robinett reviewed the plans and specifications and requested the Board authorize Costello to advertise for bids for the construction of the mass excavation and grading and clearing and grubbing for Trails at Woodhaven Lakes Section 2.

Following review and discussion, Director Rich moved to (1) approve the engineer's report; and (2) approve the plans and specifications and authorize Costello to advertise for bids for the mass excavation and grading and clearing and grubbing for Trails at Woodhaven Lakes Section 2. Director Ross seconded the motion, which passed unanimously.

ANNUAL REPORT

Ms. Trachtenberg stated the District's Annual Report containing the District's audit is being prepared in accordance with the continuing disclosure provisions contained in the District's bond resolutions. Following review and discussion, Director Burton moved to (1) approve the Annual Report, subject to finalization; (2) authorize ABHR to file the Annual Report in compliance with the continuing disclosure provisions contained in the District's bond resolutions; and (3) 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.

ANNEXATION MATTERS

Ms. Trachtenberg discussed annexing an approximate 46.333-acre tract into the District, which Century proposes to develop as a residential development. She explained the tract is in the city limits of the City of La Marque and is not contiguous with the District's current boundaries. Ms. Trachtenberg reviewed the terms of an annexation letter agreement with Century, which requires an annexation deposit of \$15,000.00 from Century.

Ms. Trachtenberg then explained that if the Board chooses to consider the annexation, the District's engineer should conduct a feasibility study on annexation of the tract.

The Board considered accepting the Petition for Addition of Certain Land to the District and authorizing execution of the Petition for Consent to Annex Land into the District, which petition asks the City Council of the City of LaMarque for its written consent to the annexation by the District of the property.

Following review and discussion, Director Lannin moved to (1) approve the Annexation Agreement with Century, subject to finalization; (2) authorize the engineer to prepare a feasibility study for the proposed annexation of land into the District, subject to receipt of the annexation deposit from Century; (3) accept the Petition for Addition of Certain Land to the District, subject to final review; and (4) authorize execution of the Petition for Consent to Annex Land into the District, subject to final review. Director Ross seconded the motion, which passed unanimously.

REPORT REGARDING DEVELOPMENT

Mr. Robinett updated the Board on development in the District on behalf of KB Home, M/I Homes of Houston, LLC, and Trails at Woodhaven Lakes, Ltd.

NEXT MEETING DATE AND AGENDA ITEMS

Following discussion, the Board concurred to hold its next meeting on December 19, 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

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.....	3