

MINUTES
GRAND OAKS MUNICIPAL UTILITY DISTRICT OF MONTGOMERY COUNTY

June 24, 2025

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 24th day of June, 2025, at the offices of 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:

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.; Doug Jeffery of TNG Utility Corporation; Debbie Arellano of Bob Leared Interests; Diego Burgos of Quiddity Engineering, LLC ("Quiddity"); Cheyenne Evans of Champions Hydro-Lawn ("Champions"); Brenda Garcia and Julia Robbins of Municipal Accounts & Consulting, L.P.; and David Oliver, Rachel Beeton, and Kathryn Mercado of Allen Boone Humphries Robinson LLP.

COMMENTS FROM THE PUBLIC

There were no public comments.

MINUTES

The Board considered approving the minutes of the May 27, 2025, regular meeting. After consideration, Director Buell moved to approve the minutes of the May 27, 2025, regular meeting, as presented. Director Hammond seconded the motion, which passed unanimously.

GARBAGE SERVICE MATTERS

Ms. Nussa reported that the District received no inquiries or calls regarding garbage collection during the preceding months.

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. Following review and

discussion, Director Buell moved to approve the bookkeeper's report and payment of the bills. 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, a copy of which is attached. She stated that the District's 2024 taxes were 98.24% collected as of May 31, 2025. Following review and discussion, Director Buell moved to approve the tax assessor/collector's report and the checks presented for payment. Director Inabnit seconded the motion, which passed unanimously.

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTION OF DELINQUENT TAXES

Mr. Oliver stated the District's delinquent tax attorney can begin collection of delinquent 2024 real property taxes as of July 1, 2025. After discussion, Director Buell moved to authorize the delinquent tax attorney to proceed with the collection of delinquent 2024 real property taxes. 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. Discussion ensued regarding water accountability in the District.

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; and (2) 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

Ms. Evans reviewed the drainage and detention facility report, a copy of which is attached.

Ms. Evans reviewed a proposal in the amount of \$10,595.00, submitted by Champions, to desilt the drainage channel easement located partially in Section 3 and partially outside of the District. A copy of the proposal is attached to the report.

Ms. Evans discussed correspondence received from the homeowners association regarding maintenance of the area adjacent to the detention pond near Nichols Sawmill Road. An exhibit of the area is attached to the report. Mr. Burgos confirmed that the area is District property. The Board directed Champions to bring a proposal for maintenance of the above discussed area to the July meeting.

Following review and discussion, Director Buell moved to (1) approve the drainage and detention facility report; and (2) approve the proposal in the amount of \$10,595.00, submitted by Champions, to desilt the drainage channel easement. 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 paving work in Glen Oaks, Section 3. He reported Quiddity is coordinating with the homebuilders to agree to their share of the punch list items.

Mr. Burgos updated the Board on the status of clearing and grubbing work in Glen Oaks, Section 6. He reviewed and recommended approval of Pay Estimate No. 3 in the amount of \$182,362.50, payable to DL Glover Clearing, LLC ("DL Glover").

Mr. Burgos updated the Board on Glen Oaks, Section 6, water, sanitary sewer, and drainage. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$237,341.02, payable to Fellers & Clark, LP ("Fellers").

Mr. Burgos reviewed the lift station inspection report. He reviewed an opinion of probable cost in the amount of \$775,000.00, for the recommended lift station repairs. Mr. Burgos then reviewed an opinion of probable cost, in the amount of \$363,000.00, for the option of installing a permanent generator at the lift station. Copies of the probable costs are attached to the report. Mr. Burgos stated that Quiddity is recommending the repairs be included in bond application no. 5.

Mr. Burgos updated the Board on the preparation of bond application no. 5.

Following review and discussion, Director Buell moved to (1) approve the engineering report; (2) approve Pay Estimate No. 3 in the amount of \$182,362.50, payable to DL Glover; (3) approve Pay Estimate no. 1 in the amount of \$237,341.02, payable to Fellers; and (4) authorize Quiddity to include the recommended lift station repairs in bond application no. 5. Director Hammond seconded the motion, which passed unanimously.

APPROVE AMENDED AND RESTATED POTABLE WATER AND SANITARY SEWER
SUPPLY AGREEMENT

Mr. Oliver reviewed a Third Amendment to Potable Water and Sanitary Sewer Supply Agreement with the City of Magnolia ("Third Amendment"). Following review and discussion, Director Buell moved to approve the Third Amendment and direct that it be retained in the District's official records. Director Inabnit seconded the motion, which passed unanimously.

APPROVE CONSENT TO ASSIGNMENT

The Board considered authorizing execution of a Consent to Assignment of reimbursement rights under the Development Financing Agreement ("DFA"), consenting to the assignment from K. Hovnanian of Houston II, L.L.C to a land banking entity. Following review and discussion, Director Buell moved to authorize execution of the Consent to Assignment of reimbursement rights under the DFA, subject to final legal review. Director Inabnit seconded the motion, which passed unanimously.

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 July 22, 2025.

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

(SEAL)



Asst.  Secretary, Board of Directors

LIST OF ATTACHMENTS

	<u>Page</u>
Bookkeeper's report.....	1
Tax assessor/collector's report	2
Operator's report.....	2
Drainage and detention facility report	2
Engineer's report.....	3