

MINUTES
GRAND OAKS MUNICIPAL UTILITY DISTRICT OF MONTGOMERY COUNTY

July 22, 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 22nd day of July, 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 Director Nommensen, thus constituting a quorum.

Also present at the meeting were Misael Flores of Post Oak Municipal Advisors LLC; 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; 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 June 24, 2025, regular meeting. After consideration, Director Buell moved to approve the minutes of the June 24, 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. Robbins presented the bookkeeper's report, including the investment report and bills presented for payment, a copy of which is attached. She requested Board authorization for additional holding check no. 6882, payable to the City of Magnolia.

The Board considered authorizing attendance at the Association of Water Board Directors winter conference.

Following review and discussion, Director Hammond moved to (1) approve the bookkeeper's report and payment of the bills, including the additional check, as detailed above; and (2) authorize attendance of any interested Directors at the winter conference. Director Buell 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 98.26% collected as of June 30, 2025. Following 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.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2025 TAX YEAR

The Board discussed the District's development status. Ms. Beeton discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts in Chapter 49, Texas Water Code. She stated that such legislation established three main categories for water districts, based on a district's development status and/or tax rate. Ms. Beeton 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. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a developing district for the 2025 tax year.

After review and discussion, Director Buell moved to adopt a Resolution Regarding Development Status for 2025 Tax Year establishing the District as a developing district for the 2025 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 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.

The Board considered amending the District Rate Order, and discussion ensued.

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) amend the District Rate Order, as discussed; 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

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

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, noting there are no pay estimates for the Board's consideration.

Mr. Burgos updated the Board on Glen Oaks, Section 6, water, sanitary sewer, and drainage. He reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$332,211.58, payable to Fellers & Clark, LP ("Fellers").

Mr. Burgos updated the Board on Glen Oaks, Section 6, paving. He stated that K. Hovanian, the developer, awarded the contract to the lowest bidder, Dimas Brothers Construction, LLC, in the amount of \$1,488,000.00.

Mr. Burgos reviewed the lift station inspection report. He reviewed an opinion of probable cost in the amount of \$363,000.00, for the installation of a permanent generator at the lift station. Copies of the probable costs are attached to the report.

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; and (2) approve Pay Estimate no. 2 in the amount of \$332,211.58,

payable to Fellers, for Glen Oaks, Section 6, water, sanitary sewer, and drainage. Director Hammond 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.

REPORT ON LEGISLATIVE MATTERS

Mr. Oliver reviewed a report prepared by ABHR regarding legislative matters pertaining to the 89th Regular Session of the Texas Legislature.

DISTRICT MEETING SCHEDULE

The Board concurred to hold the next regular meeting on August 26, 2025.

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

(SEAL)




Secretary, Board of Directors

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