

MINUTES OF MEETING
BOARD OF DIRECTORS

August 22, 2024

THE STATE OF TEXAS §
COUNTY OF FORT BEND §
FULSHEAR MUNICIPAL UTILITY DISTRICT NO. 2 §

The Board of Directors (the “Board”) of Fulshear Municipal Utility District No. 2 of Fort Bend County (the “District”) met in special session on Thursday, August 22, 2024 at 9 Greenway Plaza, Suite 1000, Houston, Texas, a designated meeting place outside the boundaries of the District, whereupon, the roll was called of the members of the Board, to-wit:

Jeff Hogan	President
Mary Alford	Vice President
Connie McMaken	Secretary
David A. Little	Assistant Secretary
Joy Bastawrous	Assistant Secretary

All members of the Board of Directors were present thus constituting a quorum.

Also in attendance were Odette Newman of Bob Leared Interests, the District's tax collector (“TAC”); Corey Howell of The GMS Group, LLC, the District’s financial advisors; Amy Carpenter of Myrtle Cruz, Inc., Bookkeepers for the District; Bobby Deden, engineer for the District; and John Cannon , attorney, and Beth Van Doren, paralegal, of Coats|Rose, P.C. (“Coats|Rose”), Attorneys for the District.

Whereupon, the meeting was called to order at 12:02 p.m. Copies of the notices of the meeting are attached hereto as Exhibit “A”.

HEAR FROM PUBLIC

Director Little presented pictures of the Fulshear Run Spillway showing erosion around the concrete ends; fence damage and footbridge damage, copies of which are attached hereto as Exhibit "A-1".

APPROVE MINUTES OF MEETING OF JUNE 27, 2024

The Board reviewed the minutes from the meeting of June 27, 2024, previously distributed to the Board. Upon a motion made by Director McMaken, seconded by Director Alford, the Board approved the minutes of the meeting of June 27, 2024.

BOOKEEPER'S REPORT

The Board recognized Ms. Carpenter who reviewed the Bookkeeper's Report, a copy of which is attached hereto as Exhibit "B."

After further discussion and upon motion duly made by Director Alford, seconded by Director Little, the Board voted unanimously to approve the bills presented for payment and approve the Bookkeeper's Report.

TAX ASSESSOR/COLLECTOR'S REPORT

The Board recognized Ms. Newman who reviewed the TAC report for the period ending July 31, 2024, a copy of which is attached hereto as Exhibit "C".

After further discussion and upon motion duly made by Director Little seconded by Director McMaken the Board voted unanimously to approve the TAC's Report and authorize payment of tax-related checks.

ADOPT RESOLUTION ON DEVELOPMENT STATUS OF THE DISTRICT UNDER TEXAS WATER CODE SECTION 49.23602

The Board recognized Mr. Cannon who presented a Resolution Declaring Development Status of District for 2024 Tax Year, (the "Resolution"), a copy of which is attached hereto as Exhibit "D".

He advised the Board that the development status of a district dictates how its voter approval rate is calculated. The voter approval rate will be published with the Notice of Tax Hearing.

Mr. Cannon explained, based on analysis provided by the District's Engineer, that the District is not a "developed district" as defined by Section 49.23602 of the Texas Water Code as it has not financed, completed, or issued bonds to pay for all land, works improvements, facilities, plants, equipment, and appliances necessary to serve at least 95 percent of the projected build-out of the District.

Mr. Cannon recommended the District proceed with adopting the 2024 tax rate as a "developing" district pursuant to Texas Water Code, Section 49.23603. After further discussion and based on a motion by Director McMaken, seconded by Director Alford, the Board voted unanimously to approve the Resolution.

FINANCIAL ADVISOR

Discuss 2024 tax rate

The Board recognized Mr. Howell who discussed the 2024 tax rate and the calling of a public hearing on the proposed 2024 tax rate. He presented the Board with a recommendation and analysis, a copy of which is attached hereto as Exhibit "E." He proposed a maintenance and operations tax of \$0.38 per \$100 assessed valuation for the 2024 tax year, a Road Debt Service tax rate of \$0.32 per \$100 assessed valuation for the 2024 tax year, and a WSD Debt Service tax rate of \$0.45 per \$100 assessed valuation for the 2024 tax year. After further discussion and based on a motion by Director Little and seconded by Director Alford, the Board proposed a public hearing on September 26, 2024, to consider approving the proposed tax rate of \$1.15 per \$100 assessed valuation for the 2024 tax year and authorized the tax assessor to advertise such meeting.

ENGINEER'S REPORT

The Board recognized Mr. Deden who discussed the status of the erosion in the Bessie Creek Channel. He stated he is working with the City of Fulshear, Fort Bend County Drainage District and Fulshear Municipal Utility District No. 1 on a plan for repair and prevention.

Mr. Deden presented a copy of the Champions Hydro-Lawn August Maintenance Report, a copy of which is attached hereto as Exhibit "F." No action was taken on this matter.

The Board reviewed the contract for construction of the hardscape and landscape to serve Fulshear Run Park at Reserve B, Section 6 in the amount of \$262,924.00. After further discussion, the Board deferred action until the contractor presents a rendering.

REPORT FROM DEVELOPER

In the absence of the Developers, no report was offered.

ATTORNEY'S REPORT

Champions Hydro-Lawn

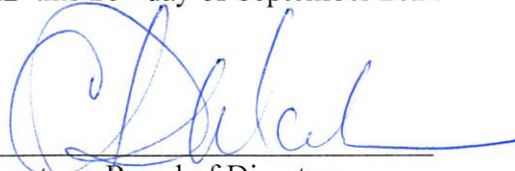
The Board noted that at the previous meeting they approved a service contract with Champions Hydro-Lawn. After further discussion and based on a motion by Director Alford, seconded by Director Little, the Board voted unanimously to ratify the approval of a service contract with Champions Hydro-Lawn.

Bessie's Creek

As stated under the Engineer's Report, the District is working with the City of Fulshear, Fort Bend County Drainage District and Fulshear Municipal Utility District No. 1 on a plan for repair and prevention. In addition, they will be surveying the property they will need that belongs to the Dowdells.

There being no further business to come before the Board, upon a motion duly made, seconded, and approved unanimously, the meeting was adjourned.

PASSED, APPROVED AND ADOPTED this 26th day of September 2024



Secretary, Board of Directors

(DISTRICT SEAL)

