

MINUTES
GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 68

August 19, 2025

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 19th day of August, 2025, 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
Vacant	Assistant Vice President

and all of the above were present except Director Ross, thus constituting a quorum.

Also attending the meeting were Veronica Hernandez of McLennan & Associates, L.P.; Odett Newman of Bob Leared Interests; Jason Robinett of Pape-Dawson Engineers, Inc.; Scott Gray of Champions Hydro-Lawn, Inc.; Anthea Moran of Masterson Advisors LLC; Brianne Geaslin of KB Home; and Adisa Harrington and Hope Palmer of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENT

The Board opened the meeting for comments from the public. There being no members of the public wishing to make comments, the Board closed the public comments portion of the meeting.

APPROVE MINUTES

The Board considered approving the minutes of the July 15, 2025, regular meeting. After review and discussion, Director Burton moved to approve the minutes as submitted. Director Lannin seconded the motion, which passed unanimously.

SERIES 2025 UNLIMITED TAX BONDS

Ms. Moran distributed and reviewed a draft Preliminary Official Statement and Notice of Sale for the \$8,400,000 Unlimited Tax Bonds, Series 2025 (the “Bonds”). She requested authorization to apply with Moody’s Investor Services for a credit rating analysis in connection with the Bonds.

The Board discussed appointing The Bank of New York Mellon Trust Company, N.A., as Paying Agent/Registrar for the Bonds.

The Board considered authorizing the District's financial advisor to advertise the sale of the District's Bonds and to authorize the District's auditor to prepare the developer reimbursement report.

Following review and discussion, Director Burton moved to (1) approve the Preliminary Official Statement and Notice of Sale; (2) authorize submission of an application to Moody's Investor Services for a credit rating analysis; (3) appoint The Bank of New York Mellon Trust Company, N.A. as the paying agent/registrar for the Bonds; (4) authorize the District's financial advisor to advertise the sale of the Bonds; and (5) authorize the auditor to begin preparation of the developer reimbursement report. Director Lannin seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Hernandez reviewed the bookkeeper's report and investment report, copies of which are attached. Following review and discussion, Director Burton moved to approve the bookkeeper's report and investment report and authorize payment of the District's bills. Director Lannin seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Newman presented and reviewed the tax assessor/collector's report for the previous month, including the bills presented for payment and the delinquent tax roll. A copy of the tax report is attached. After review and discussion, Director Lannin moved to approve the tax assessor/collector's report and payment of the tax bills. Director Burton seconded the motion, which passed unanimously.

DISCUSS 2025 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

Ms. Moran distributed and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2025 water, sewer, and drainage debt service tax rate of \$0.75 per \$100 of assessed valuation, based on the District's initial 2025 certified value of \$208,940,688, plus \$8,047,280 representing 80% of the uncertified value under protest. A copy of the debt service tax rate analysis is attached. The Board then discussed the District's operation and maintenance tax rate. Ms. Moran then discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Burton moved to (1) set the public hearing date for September 16, 2025; and (2) authorize the tax assessor/collector to publish notice in the *Galveston Daily News* of the District's meeting on September 16, 2025, to set the proposed 2025 total tax rate of \$0.864 per \$100 of assessed valuation,

with \$0.75 allocated for debt service on water, sewer, and drainage bonds, and \$0.114 allocated for operations and maintenance. Director Lannin seconded the motion, which passed unanimously.

PLAN OF FINANCING

There was no discussion on this agenda item.

DETENTION POND AND OUTFALL CHANNEL FACILITIES REPORT

Mr. Gray presented and reviewed the detention and drainage facilities report, a copy of which is attached. He stated he had no items for the Board's approval.

MS4 STORM WATER MANAGEMENT MATTERS

There was no discussion on this agenda 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 the report.

Mr. Robinett updated the Board on the Bayou Ridge Lift Station facilities and stated this project will be rebid.

Mr. Robinett updated the Board regarding the construction of the water, sewer and drainage facilities to serve Sunset Grove Section 5. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$463,482.34, payable to Blazey Construction Services, LLC ("Blazey"). He also reviewed and recommended approval of Change Order No. 2 to the contract with Blazey to increase the contract in the amount of \$4,375.50 to anchor steel plates across inlets and replace missing grate inlets. The Board determined that Change Order No. 2 is beneficial to the District.

Mr. Robinett updated the Board on the installation of a back slope swale at the southwest corner of the Sunset Grove detention pond to help drain an area holding water. He stated Blazey provided a proposal in the amount of \$2,250.00 to install the back slope swale that was approved by Director Ross in between meetings. He noted that Blazey will be re-seeding the disturbed area at no additional cost.

Following review and discussion, Director Lannin moved to (1) approve the engineer's report; (2) based on the engineer's recommendation and the Board's finding that the change order is beneficial to the District, to approve Pay Estimate No. 1 in the amount of \$463,482.34 and Change Order No. 2 in the amount of \$4,375.50 as an increase to the contract with Blazey for construction of the water, sewer and drainage

facilities to serve Sunset Grove Section 5; and (3) approve and ratify the proposal from Blazey in the amount of \$2,250.00 to install a back slope swale at the Sunset Grove, Phase 2 detention pond. Director Burton seconded the motion, which passed unanimously.

DEEDS, EASEMENTS, PLATS, CONSENTS TO ENCROACHMENT, REQUESTS FOR SERVICE OR UTILITY COMMITMENT LETTERS

The Board considered accepting conveyance of a Special Warranty Deed for all of Reserve "D" within Trails of Woodhaven Lakes Section Two from Trails at Woodhaven Lakes, Ltd. Following review and discussion, Director Burton moved to accept conveyance of the Deed and direct that the Deed be filed appropriately and retained in the District's official records. Director Lannin seconded the motion, which passed unanimously.

REPORT REGARDING DEVELOPMENT

Ms. Geaslin updated the Board on development in Sunset Grove.

Mr. Robinett provided an update on behalf of M/I Homes of Houston, LLC on development in Ambrose. He stated there was no update on development in Trails at Woodhaven Lakes.

Ms. Harrington reported that the Utility Services Agreement ("Agreement") between the District and the City of Hitchcock (the "City") was approved by the City. She requested that the Board authorize execution of the Agreement. It was noted that the Preliminary Official Statement will be updated to reference the Agreement. Following review and discussion, Director Burton moved to authorize execution of the Agreement and direct that the Agreement be filed appropriately and retained in the District's official records. Director Lannin seconded the motion, which passed unanimously.

NEXT MEETING DATE AND AGENDA ITEMS

Following discussion, the Board concurred to hold its next meeting on September 16, 2025, at 2:00 p.m. The Board also discussed combining the November and December meetings.

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There being no further business to come before the Board, the meeting was adjourned.

SEAL




Secretary, Board of Directors

ATTACHMENTS TO MINUTES

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