

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 144

Minutes of Special Meeting of Board of Directors

June 28, 2023

The Board of Directors ("Board") of Fort Bend County Municipal Utility District No. 144 (the "District") met in special session, open to the public, on June 28, 2023, in accordance with the duly posted notice of public meeting, and the roll was called of the duly constituted officers and members of said Board of Directors, as follows:

Ted Teinert, President
Ron G. Thomas, Vice President
Jimmy T. Juhl, Secretary
James McConn, III, Assistant Secretary
Scott Maham, Director

and all of said persons were present, except Director Thomas, thus constituting a quorum.

Also present were: Darcé Ahlschlager of Wheeler & Associates, Inc. ("Wheeler"); Rahi Patel of Municipal Accounts & Consulting, L.P. ("MAC"); Victor Saenz of Edminster, Hinshaw, Russ and Associates, Inc. ("EHRA"); Doug Gleditsch, a member of the public; and John Eichelberger of Schwartz, Page & Harding, L.L.P. ("SPH").

COMMENTS FROM THE PUBLIC

The Board opened the meeting for public comments. There being no members of the public present, the Board continued to the next item of business.

APPROVAL OF MINUTES

The Board considered the draft minutes of the meeting held on April 4, 2023. After review and discussion of the draft minutes presented, Director Maham moved that the aforesaid minutes be approved, as written. Director McConn seconded said motion, which carried unanimously.

EXCLUSION OF APPROXIMATE 35.46 ACRE

With regard to the proposed exclusion of a 35.46 acre tract (the "Tract") from the jurisdictional boundaries of the District pursuant to a Letter Agreement by and among the District, Fort Bend County Municipal Utility District No. 207, Berry Place Holdings, L.P., Ryon Owner, LLC, and the George Foundation (the "Agreement"), Mr. Eichelberger reported that House Bill 5325 (the "Legislation"), which was enacted by the 88th Regular Session of the Texas Legislature effective June 17, 2023, adjusts the District's boundaries to exclude the Tract (the "Exclusion").

APPROVAL OF SIXTH AMENDED AND RESTATED DISTRICT INFORMATION FORM WITH MAP ATTACHED

In connection with the Exclusion, Mr. Eichelberger explained that, with the exclusion of the Tract from the District, it is necessary to file an Amended and Restated District Information Form ("DIF") with map attached reflecting the excluded acreage and revised boundaries of the District in the official records of real property of Fort Bend County, Texas. He further advised

that the form of Notice to Purchasers attached to the DIF has also been updated and is required to be furnished by a seller to a purchaser of real property located within the District. After discussion, upon motion by Director Maham and second by Director McConn, the Board voted unanimously to approve the Sixth Amended and Restated DIF and authorize (i) the Board members present to execute same on behalf of the Board and the District, and (ii) the filing of same by SPH.

APPROVAL OF PRO-RATA DEBT CALCULATIONS IN CONNECITH WITH THE EXCLUSION

Mr. Eichelberger next presented to and reviewed with the Board a worksheet prepared by Wheeler, a copy of which is attached hereto as **Exhibit A**, detailing the pro-rata debt calculations relative to the Exclusion of the Tract as required by the Agreement and the Legislation. After discussion, Director Maham moved that the debt calculations presented be approved by the Board, subject to SPH review, and deemed sufficient to determine that the previous payment made to the District, as reflected in the Agreement, was sufficient to cover the Tract's pro rata share of the District's debt as required by the Legislation. Director McConn seconded the motion, which unanimously carried.

RESIGNATION OF DIRECTOR THOMAS

Mr. Eichelberger next notified the Board that Director Thomas has tendered his resignation from the Board and presented a resignation letter received from Director Thomas. After consideration, Director Maham moved that the resignation of Director Thomas be accepted. Director McConn seconded said motion, which carried unanimously.

APPOINTMENT OF NEW DIRECTOR

The Board next considered the appointment of a Director to fill the vacancy created by the resignation of Director Thomas. Mr. Gleditsch introduced himself to the Board and expressed a desire to serve on the Board of Directors. The Board was then presented with evidence of qualifications of Mr. Gleditsch to serve on the Board. Mr. Eichelberger advised that the requisite Statement of Elected/Appointed Officer Oath of Office and Official Bond had been executed by Mr. Gleditsch. The Board found said bond to be in proper form and amount and executed by a qualified surety company. After discussion on the matter, it was moved by Director McConn, seconded by Director Maham and unanimously carried that (i) the Statement of Elected/Appointed Officer, Oath of Office and Official Bond be approved and accepted and Doug Gleditsch be appointed as a member of the Board of Directors of the District and that (ii) SPH be directed to file the Oath of Office with the Texas Secretary of State, as required by law. Director Gleditsch participated in the remainder of the meeting.

Mr. Eichelberger then advised Director Gleditsch that, pursuant to Section 552.024 of the Texas Government Code, Directors are permitted to elect to withhold public access to information in the custody of the District relating to such Director's home address, home telephone number, social security number and information indicative of whether such Director has family members. Following discussion, Director Gleditsch executed a written Election Not to Disclose Certain Information presented for such purpose.

Mr. Eichelberger discussed with the Board the training requirements for public officials in Texas. He advised that public officials, including Directors of the District, must complete

separate training courses regarding the Texas Open Meetings Act ("OMA") and the Texas Public Information Act ("PIA"). Mr. Eichelberger presented Director Gleditsch with a Memorandum prepared by SPH which summarizes the training requirements. He advised that the deadline to complete the training is the 90th day after taking the oath of office or otherwise assume responsibilities as a public official. Mr. Eichelberger further noted that it is the Directors' responsibility to ensure that such training is completed by the deadline.

Mr. Eichelberger next discussed with the Board the conflicts disclosure statement reporting requirements for officers of certain local governmental entities, including special district directors, pursuant to Chapter 176 of the Local Government Code. Mr. Creed presented Director Gleditsch with a memorandum prepared by SPH which summarizes the conflicts disclosure requirements.

REORGANIZATION BOARD AND ELECTION OF OFFICERS

The next item to be considered was the reorganization and election of officers of the Board. In that regard, Director McConn nominated Director Maham as Vice President of the Board and Director Gleditsch as Assistant Secretary of the Board. After discussion, Director McConn moved that Director Maham be appointed as Vice President of the Board and Director Gleditsch be appointed as Assistant Secretary of the Board with the remaining Board members continuing in their respective officer positions. Director Teinert seconded said motion, which unanimously carried.

DISTRICT REGISTRATION FORM

The Board next considered approving a District Registration Form required by the Texas Commission on Environmental Quality (the "TCEQ"). Mr. Eichelberger explained that municipal utility districts are required to file names, mailing addresses, officer positions and the terms of office of new or re-elected directors with the TCEQ within thirty days (30) after an election or appointment. He advised that, with the Board's approval, SPH will complete the District Registration Form in connection with the appointment of Director Gleditsch and the reorganization of the Board. After further discussion of the matter, Director Maham moved that the Board authorize SPH to complete the District Registration Form as discussed and file same with the TCEQ. Director McConn seconded said motion, which carried unanimously.

LOCAL GOVERNMENT OFFICERS LIST

Mr. Eichelberger advised the Board that, pursuant to Chapter 176 of the Texas Local Government Code, the District is required to maintain a list of Local Government Officers, which includes the members of the Board and the District's Investment Officers in connection with conflict of interest disclosure requirements. After discussion on the matter, Director Maham moved that the District update its list of local government officers as required by law. Director McConn seconded said motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Ahlschlager next presented to and reviewed with the Board the Tax Assessor-Collector Monthly Reports for April 2023 and May 2023, copies of which are attached hereto as **Exhibit B**, including the checks listed therein for payment. Ms. Ahlschlager advised the Board that the preliminary assessed value of the District for the 2023 tax year is \$640,519,056,

representing an approximate 19% increase over 2022. She noted that the preliminary assessed value does not include personal property nor does it take into account reductions from protests. Ms. Ahlschlager further noted that the District's assessed value will be lower after the Tract is removed from the District's tax rolls. After discussion, Director Gleditsch moved that the Tax Assessor-Collector Reports be approved and that the checks and other disbursements identified therein be approved for payment. Director Juhl seconded said motion, which carried unanimously.

DELINQUENT TAX COLLECTIONS ATTORNEY REPORT

Mr. Eichelberger presented to and reviewed with the Board a Delinquent Tax Report, a copy of which is attached hereto as **Exhibit C**, from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., delinquent tax attorneys for the District. The Board noted there were no action items in the report.

BOOKKEEPER'S REPORT

Mr. Patel presented to and reviewed with the Board the Bookkeeper's Report dated June 28, 2023, a copy of which report is attached hereto as **Exhibit D**, as well as the checks presented therein for payment from the District's various accounts. After discussion, Director Maham moved that the Bookkeeper's Report be approved, as presented, and the checks and other disbursements presented be approved for payment, including additional check no. 4159 representing Director Gleditsch's per diem payment for today's meeting. Director Gleditsch seconded said motion, which carried unanimously.

RATIFY CLIENT SERVICES AGREEMENT WITH HR&P, INC. AND RESOLUTION AUTHORIZING ELECTRONIC TRANSFER OF FUNDS

Mr. Eichelberger next reminded the Board that it previously approved a Client Services Agreement with HR&P, Inc. (the "HR&P Agreement") relative to direct deposit of director per diem and expense reimbursement payments and adopted a Resolution Authorizing Electronic Transfer of Funds for Director Per Diems and Expense Reimbursements (the "Electronic Transfer Resolution"). Following discussion, it was moved by Director Maham, seconded by Director Gleditsch and unanimously carried, that the Board's prior approval of the HR&P Agreement and prior adoption of the Electronic Transfer Resolution be ratified in all respects.

UNCLAIMED PROPERTY REPORT

The Board considered approval of an Unclaimed Property Report as of March 1, 2023, and the filing of same with the Comptroller of Public Accounts of the State of Texas (the "Comptroller") prior to July 1, 2023. In connection therewith, Mr. Patel and Ms. Ahlschlager advised that the District has no unclaimed property to escheat to the Comptroller. After discussion, Director Juhl moved that MAC and Wheeler be authorized to file any necessary information relative to same with the Comptroller prior to July 1, 2023. Director McConn seconded said motion, which unanimously carried.

RESOLUTION ADOPTING LIST OF QUALIFIED BROKERS

The Board considered adopting a list of qualified brokers authorized to engage in investment transactions with the District. Mr. Eichelberger presented and reviewed with the Board the attached Resolution Adopting List of Qualified Brokers Authorized to Engage in

Investment Transactions with the District, and a list of financial institutions, brokers and dealers attached thereto, together with a comparison of the list submitted and the list previously adopted by the Board, copies of which are attached hereto as **Exhibit E**. He noted that three banks have been added to the list since January 2023. He further noted that the broker list presented is a list of potential institutions with which the District may engage in investment transactions compiled with the input of the District's Investment Officer, but it is ultimately the Board's decision as to where the District's funds are actually placed. After discussion, Director Maham moved that the attached Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District be approved by the Board and the District, and that the President and Secretary be authorized to execute same. Director Gleditsch seconded said motion, which unanimously carried.

APPROVAL OF AUDIT REPORT FOR FISCAL YEAR ENDED FEBRUARY 28, 2023

Mr. Eichelberger presented and reviewed the draft of the District's audit report prepared by the District's auditor, FORVIS, LLP ("FORVIS"), for the fiscal year ended February 28, 2023, a copy of which is attached hereto as **Exhibit F**. In connection with the requirements of Statement on Auditing Standards No. 115, Mr. Eichelberger also presented the Board with a Management Letter prepared by FORVIS concerning the Board's internal controls over financial reporting, and correspondence from FORVIS to the District concerning significant accounting policies and practices, copies of which are attached hereto with the audit report. The District's response to the Management Letter was discussed by Mr. Eichelberger. After discussion, it was moved by Director Maham, seconded by Director Teinert, and unanimously carried, that (i) the audit report for the District's fiscal year ended February 28, 2023, including the District's response to the Management Letter, be approved subject to final review by SPH, (ii) the President be authorized to execute the Annual Filing Affidavit on behalf of the Board and the District, and (iii) the final audit report and Annual Filing Affidavit be filed with the appropriate governmental authorities, including the TCEQ, by applicable deadlines.

CONTINUING DISCLOSURE REPORT

Mr. Eichelberger next advised the Board that the Annual Continuing Disclosure Report (the "Disclosure Report") related to the District's outstanding bonds is required to be filed with the appropriate authorities pursuant to Securities and Exchange Commission Rule 15c2-12 within 180 days of the end of the District's fiscal year. He stated that, once the District's audit report for the fiscal year ended February 28, 2023, has been finalized and filed, the District's Continuing Disclosure Counsel, McCall, Parkhurst & Horton, L.L.P., will file such disclosure report with the appropriate repositories prior to the August 29, 2023 deadline for same.

ENGINEERING REPORT AND DETENTION AND DRAINAGE FACILITIES REHABILITATION AND FUTURE MAINTENANCE

Mr. Saenz presented to and reviewed with the Board a Monthly Engineering Report from EHRA, a copy of which is attached hereto as **Exhibit G**. Mr. Saenz then discussed the most recent Detention Facilities Rehabilitation Preliminary Cost Estimate, a copy of which is included in the Monthly Engineering Report. After discussion, it was moved by Director Maham, seconded by Director Gleditsch and unanimously carried, that the Monthly Engineering Report and all action items listed therein be approved, including authorization for BGE to design and advertise for bids for the Detention and Drainage Facilities Rehabilitation Project, Phases 1 and 2.

MATTERS PERTAINING TO THE CITY OF ROSENBERG ("ROSENBERG")

The Board next considered matters pertaining to Rosenberg. In connection therewith, Mr. Eichelberger advised he had nothing further to report to the Board regarding matters pertaining to Rosenberg other than the items previously discussed.

VOTING SYSTEM ANNUAL FILING FORM

The Board next considered authorizing the completion, execution and filing with the Secretary of State of a Voting System Annual Filing Form (the "Form") relative to District elections. Mr. Eichelberger advised that pursuant to Section 123.061 of the Texas Election Code, each political subdivision in the State of Texas is required to complete and file the Form with the Secretary of State's office annually. After discussion on the matter, Director Juhl moved that SPH be authorized to complete and file the Form with the Secretary of State's Office, as required by law. Director Teinert seconded said motion, which unanimously carried.

RECORDS DESTRUCTION REQUEST

Mr. Eichelberger reported that the District's General Records Retention Schedule adopted in connection with its Records Management Program requires that notes and/or audio recordings taken during meetings and which are used to prepare the official minutes of Board meetings are to be retained for ninety (90) days after approval of such minutes by the Board. He next presented a request from the Records Management Officer, a copy of which is attached hereto as **Exhibit H**, for approval to destroy all such notes and/or audio recordings from February 1, 2022, to December 6, 2022. After discussion, Director Juhl moved that SPH be authorized to destroy such notes. Director Teinert seconded said motion, which carried unanimously.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Mr. Eichelberger presented for the Board's review a Legislative Summary, a copy of which is attached hereto as **Exhibit I**, prepared by SPH regarding the significant legislation passed in the 88th Regular Session of the Texas Legislature (the "Summary"), which may be of interest to or impact the water district industry. In that regard, Mr. Eichelberger noted that House Bill 2815, passed by the 88th Texas Legislature, amends Section 49.060 of the Texas Water Code to allow for an increase in director fees of office up to the amount of the per diem set by the Texas Ethics Commission for members of the legislature effective June 18, 2023. Following discussion, Director Juhl moved that, effective as of June 18, 2023, the fees of office for Directors of the District be increased to \$221 a day for each day a director actually performs the duties of a director, not to exceed \$7,200 per annum. Director McConn seconded the motion, which unanimously carried. Mr. Eichelberger then advised that certain related items will be included on the next meeting agenda.

FUTURE AGENDA ITEMS AND SCHEDULE FOR UPCOMING MEETINGS

The Board next considered matters for possible placement on future agendas and scheduling of future meetings. Except as may be reflected above, there were no additional agenda items requested other than routine, and ongoing matters. The Board concurred to cancel its meeting scheduled for July 4, 2023. It was noted, therefore, that the next meeting of the Board of Directors will be held on August 1, 2023.

ADJOURN

There being no further business to come before the Board, it was moved by Director McConn, seconded by Director Gleditsch and unanimously carried, that the meeting be adjourned.

SEAL



Secretary

A handwritten signature in black ink, appearing to be "A. Gleditsch", written over a horizontal line.

LIST OF ATTACHMENTS TO MINUTES

June 28, 2023

- Exhibit A: Pro-Rata Debt Calculations
- Exhibit B: Tax Assessor-Collector Reports
- Exhibit C: Delinquent Tax Report
- Exhibit D: Bookkeeper's Report
- Exhibit E: Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions
- Exhibit F: Draft Audit Report, Management Letter and Statement on Auditing Standards
- Exhibit G: Engineering Report
- Exhibit H: Records Destruction Request Letter
- Exhibit I: Legislative Summary – 88th Regular Session of the Texas Legislature