

**MINUTES OF REGULAR MEETING OF
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 25,
OF FORT BEND COUNTY, TEXAS**

February 20, 2025

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 25, of Fort Bend County, Texas (the "District"), met in regular session, open to the public, on the 20th day of February, 2025, at a regular meeting place thereof, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Jeffery Williams	President
Syed Wasim	Vice President
Mustafa Asif	Assistant Vice President
Brian Addicks	Secretary/Investment Officer
Jabirul Quadir	Assistant Secretary

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

Also present during all or a portion of the meeting were: Leonela Ruvalcaba, Executive General Manager; Dominique Reddick, Director of Financial Services; Jose Cabrera, Project Manager/Regulatory Compliance; David Nguyen, Information Technology ("IT") Department; Terrie Sechrist with Sechrist-Duckers LLP, attorneys for the District; Hector Pena with Ardurra Group Inc. ("Ardurra"), engineer for the District; David Patterson (by Zoom) with Assessments of the Southwest ("ASW"), tax assessor/collector for the District; Rasheeda Suttar and Rahman Moton, owners of property owners in the District; and Deputy Jeff Martinez with the Fort Bend County Sheriff's Office.

MINUTES

The Board first considered approval of the minutes of its regular meeting held on January 16, 2025. After discussion, Director Williams made a motion to approve the minutes of the January 16, 2025, Board meeting as presented. Director Wasim seconded the motion and it carried unanimously.

PUBLIC COMMENTS

Ms. Sutter next addressed the Board and requested a waiver of the penalty and interest assessed on deferred taxes due on property within the District she purchased at a mortgage foreclosure auction. After discussion, the Board concurred to deny the request as no evidence was presented that the failure of Ms. Sutter to pay the taxes in a timely manner was due to the error of the District's tax assessor/collector or the Fort Bend Central Appraisal District.

DEVELOPER'S REPORT

Mr. Pena next reported that the developer of a proposed townhome development on a tract of land outside the boundaries of the District near West Airport has inquired as to the District's ability to provide 50 equivalent single family water and sewer connections for the proposed development.

TAX ASSESSOR/COLLECTOR'S REPORT

Mr. Patterson then presented the Tax Assessor/Collector's Report for January 2025 (the "Tax Report"), a copy of which is attached hereto as **Exhibit "A"**. He reported that 78.50% of the District's 2024 taxes and 99.24% of the District's 2023 taxes had been collected as of December 31, 2024.

After discussion, Director Addicks made a motion to accept the Tax Report and authorize payment of all disbursements listed thereon or otherwise presented at the meeting. Director Williams seconded the motion, and it carried unanimously.

DELINQUENT TAX ATTORNEY'S REPORT

Ms. Ruvalcaba next presented the Delinquent Tax Attorney's Report (the "Delinquent Tax Attorney's Report") prepared by Larson & Weisinger, a copy of which is attached hereto as **Exhibit "B"**. She reported that no Board action was required under this agenda item.

ENGINEER'S REPORT

Mr. Pena next presented the Engineer's Report prepared by Ardurra (the "Engineer's Report"), a copy of which is attached hereto as **Exhibit "C"**.

He then presented Ardurra's Task Order E-71 relating to geotechnical engineering services to determine the feasibility of the Old Orchard and Chelsea Harbour amenity lakes to serve as discharge points for receiving treated effluent per the Texas Commission on Environmental Quality (the "TCEQ") requirements at a cost not to exceed \$28,000.00 subject to review by the District's attorney and District staff.

A. Permit Amendments and renewals

Mr. Pena stated that he had no information to report on this agenda item.

B. Capacity analysis

Mr. Pena stated that he had no information to report on this agenda item.

C. Authorize and/or approve Bond application reports

Mr. Pena stated that he had no information to report on this agenda item.

D. Construction of non-capital projects

Mr. Pena stated that he had no additional information to report on this agenda item.

E. Coordination of projects with Project Management Engineer

Mr. Pena stated that he had no additional information to report on this agenda item.

F. Developer projects, new development, and requests for service

Mr. Pena stated that he had no additional information to report on this agenda item.

G. Authorize and/or concur with the design, advertisement for bids and/or award of contracts for the construction of water, sanitary sewer and drainage or other facilities within the District

Mr. Pena stated that he had no information to report on this agenda item.

H. Approve and/or concur in the approval of pay estimates and change orders on current construction projects within the District

Mr. Pena next presented Pay Estimate No. 10 submitted by Industrial TX Corp. ("Industrial") in the amount of \$60,704.22 for Phase II of the rehabilitation project at Wastewater Treatment Plant Nos. 1 and 2 (the "Phase II STP Rehabilitation Project"). He stated that Ardurra recommends approval of this Pay Application.

Mr. Pena next presented Pay Estimate No. 1 and Final for Work Order No. 1 submitted by Duran's Maintenance in the amount of \$45,451.00 for the sanitary sewer manhole and sidewalk repair project (the "Manhole Rehabilitation Project") in the Park Pointe subdivision. He stated that Ardurra recommends approval of this Pay Application.

Mr. Pena next presented Pay Estimate No. 1 and Final for Work Order No. 2 submitted by Duran's Maintenance in the amount of \$57,934.00 for the Manhole Rehabilitation Project in the Stratford Park subdivision. He stated that Ardurra recommends approval of this Pay Application.

Mr. Pena next presented Pay Estimate No. 1 and Final for Work Order No. 3 submitted by Duran's Maintenance in the amount of \$57,441.00 for the Manhole Rehabilitation Project in the Summerfield subdivision. He stated that Ardurra recommends approval of this Pay Application.

I. Grant or accept site and/or easement conveyances for facilities constructed or to be constructed for or on behalf of the District.

Mr. Pena stated that he had no information to report on this agenda item.

J. Grant or consent to easements over District property

Mr. Pena stated that he had no information to report on this agenda item.

K. Review status of the developments within the District

Mr. Pena stated that he had no information to report on this agenda item.

L. Review summary of pending projects, including the status thereof

Mr. Pena stated that he had no information to report on this agenda item.

M. Procedures planned for remediation and recovery

Mr. Pena stated that he had no information to report on this agenda item.

N. Evaluation planned to determine status of storm drainage systems

Mr. Pena stated that he had no information to report on this agenda item.

O. Reimbursement and payment options

Mr. Pena stated that he had no information to report under this agenda item.

After discussion, Director Wasim made a motion to:

- (i) accept the Engineer's Report;
- (ii) approve Pay Application No. 10 submitted by Industrial in the amount of \$60,704.22 for the Phase II STP Rehabilitation Project;
- (iii) approve Pay Estimate No. 1 and Final for Work Order No. 1 submitted by Duran's Maintenance in the amount of \$45,451.00 for the Manhole Rehabilitation Project;
- (iv) approve Pay Estimate No. 1 and Final for Work Order No. 2 submitted by Duran's Maintenance in the amount of \$57,934.00 for the Manhole Rehabilitation Project;
- (v) approve Pay Estimate No. 1 and Final for Work Order No. 3 submitted by Duran's Maintenance in the amount of \$57,441.00 for the Manhole Rehabilitation Project;
and
- (vi) accept Ardurra's Task Order No. 71, subject to review by the District's attorney and District staff.

The motion was seconded by Director Williams and carried unanimously.

ATTORNEY'S REPORT

Ms. Sechrist next discussed with the Board the recent discovery of grease in the storm sewer manholes on the Rosenberg Retail property.

- A. Consider requests for annexation of land into the District and authorize all appropriate action, including acceptance of annexation petitions from landowners, execution of petitions to the City of Houston for consent to annexation, adoption of Order(s) Adding Land into the District and approval of Amendment to District Information Form

Ms. Sechrist stated that she had no information to report on this agenda item.

- B. Approval of utility commitment letters

Ms. Sechrist stated that she had no information to report on this agenda item.

- C. Approval of developer reimbursement agreements

Ms. Sechrist stated that she had no information to report on this agenda item.

- D. Approval of resolutions to the Texas Commission on Environmental Quality regarding the release of escrowed funds, the use of surplus funds or a change in use of funds

Ms. Sechrist stated that she had no information to report on this agenda item.

- E. Approval of the audit of reimbursements to be made to a developer from the proceeds of the sale of the District's Bonds

Ms. Sechrist stated that she had no information to report on this agenda item.

- F. Adopt amendments to the District's Rate Order

Ms. Sechrist stated that she had no information to report on this agenda item.

GENERAL MANAGER'S REPORT

- A. Operations and Projects Reports, including:

- (i) Overall Field Operations Report;
- (ii) Illegal Hookups and/or violations of the District's Rate Order;
- (iii) Construction, Engineering, and project updates;
- (iv) Other Operations issues;
- (v) General Operations issues;
- (vi) General construction issues;

- (vii) Detention and outfall updates; and
- (viii) QLIP items.

Mr. Cabrera next presented the monthly Field Operations Report, the Construction and Projects Summary Report, and the Building and Maintenance Report, copies of which are attached hereto as **Exhibit "D"**. He reported that water accountability in the District was 100% for January 2025. He then informed the Board that an employee was injured in January when he hurt his finger changing a meter. He stated that the employee's nail was removed and he was counseled to wear gloves in the future.

Mr. Cabrera then informed the Board that Water Well No. 4 was operational.

B. Building Maintenance and Landscaping/Grounds Maintenance Items, including:

- (i) General building items; and
- (ii) General landscape and grounds items.

Mr. Cabrera stated that he had no additional information to report on this agenda item.

After discussion, a motion was made by Director Asif to accept the Field Operations report, the Construction and Projects Summary Report, and the Building and Maintenance Report. The motion was seconded by Director Williams and carried by unanimous vote.

C. Billing & Collections Report, including:

- (i) Conduct hearing and authorize termination of water service to delinquent accounts;
- (ii) Review of customer communications regarding billing issues;
- (iii) Consider Rate Order issues; and
- (iv) Consider other actions or issues associated with billing.

Ms. Ruvalcaba next presented the Billings and Collection Report. She reported that no disconnections were made during the recent period of cold weather. The Board then conducted a hearing regarding water and sewer service terminations. Ms. Ruvalcaba informed the Board that the customers on the list attached hereto as part of **Exhibit "E"** (the "Termination List") were delinquent in the payment of their utility bills and were given written notification at least seven (7) days prior to the meeting of the opportunity to appear before the Board to explain, contest, or correct their utility service bills and to show reason why utility service should not be terminated for reason of nonpayment.

Discussion then ensued regarding charges for using credit cards to pay the District's utility bills. Ms. Ruvalcaba informed the Board that only the fees charged by the credit card companies are passed through to the residents. She also informed the Board that there is no additional fee if the utility bills are paid using the District's ACH platform. After discussion, the Board requested that information regarding the use of the District's ACH platform at no additional charge be placed

on the District's website.

After further discussion, a motion was made by Director Asif to terminate water service to those accounts on the Termination List that have not been paid in accordance with the District's Rate Order or an approved payment plan. Director Williams seconded the motion, which carried unanimously.

D. Information Technology Report and other information to include:

- (i) **Fixed Network Update (meter reads and analytics); and**
- (ii) **Other Information Technology related items.**

Mr. Nguyen stated that he had no information to report on this agenda item.

E. Financial Services Report, including:

- (i) **Approve the District Bookkeeper's Report, the Investment Report and other Financial Reports and payment of bills.**

Mr. Reddick then presented the bookkeeper's report, a list of bills presented for payment, a summary of the District's budget and expenditures, and an investment report prepared in accordance with the Public Funds Investment Act (collectively, the "Bookkeeper's Report"), a copy of which is attached hereto as **Exhibit "F"**. He informed the Board that the audit would be presented at the March meeting and that the TCEQ had granted the District an extension to file the audit.

After discussion, a motion was made by Director Asif to (i) accept the Bookkeeper's Report, and (ii) authorize the payment of all disbursements listed thereon or otherwise presented at the meeting. The motion was seconded by Director Williams and carried by unanimous vote.

F. Human Resources, Operations Group Goals, Policies and General Policy matters, including:

- (i) **Update, review, and approve, if appropriate, Policy Manuals, SOPs, etc.; and**
- (ii) **Any other matters deemed appropriate and related to overall Administrative items, Human Resources, etc.**

Ms. Ruvalcaba stated that she had no information to report under these agenda items.

G. Risk Management Policies, Regulatory Compliance Matters, Standard Operations Procedures (SOPs), Red Flag Policies, Safety Reports, Group Goals, and other related administrative items, including:

- (i) Approve SOPs presented;**
- (ii) Approve any policy changes and/or amendments;**
- (iii) Ongoing training items;**
- (iv) Community Projects and Communication;**
- (v) Risk Management items; and**
- (vi) Approve the AWBD Water Smart Application Resolution**

Ms. Ruvalcaba then requested approval of an AWBD Water Smart Application Resolution. After discussion, Director Farley made a motion to approve the Resolution, which was seconded by Director Turner and passed unanimously.

After discussion, a motion was made by Director Wasim to accept the 1st quarter Group Goals report. The motion was seconded by Director Asif and carried by unanimous vote.

H. Executive Management Reports to include Financial/Budget, Group Goals, Strategic, Legal, Engineering, Project, and Future Strategic Planning updates, including:

- (i) General legal items;**
- (ii) General engineering items;**
- (iii) General project items; and**
- (iv) Future/Strategic Planning Issues (overall).**

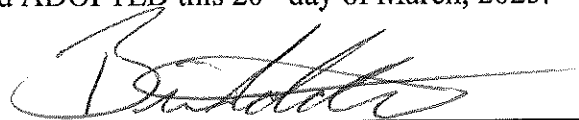
Ms. Ruvalcaba stated that she had no information to report under these agenda items.

OTHER MATTERS

Director Syed next discussed the proposals received from private security companies. After discussion, the Board concurred to discuss funding for such patrols at its next Board meeting.

After discussion, a motion was made by Director Williams to adjourn the meeting. The motion was seconded by Director Addicks and carried unanimously.

PASSED, APPROVED, and ADOPTED this 20th day of March, 2025.



Secretary, Board of Directors



LIST OF ATTACHMENTS

	Minutes
	<u>Page</u>
tax assessor/collector's report.....	2
delinquent tax attorney's report.....	2
engineer's report	2
field operations report; construction and projects summary report; and building and maintenance update report.....	6
penalty register	6
bookkeeper's report	7

https://sdlawfirms.sharepoint.com/sites/S-D_Data/Sechrist/Sechrist_Shared/FB25/Minutes/2025/FB25 Minutes 02.20.25.docx