

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

April 24, 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 24th day of April, 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, except Directors Addicks and Asif, 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; Manny Perez, Information Technology ("IT") Department; Terrie Sechrist with Sechrist-Duckers LLP, attorney for the District; Greg Lentz with Masterson Advisors, financial advisors for the District; Chris Canonico with Ardurra Group Inc. ("Ardurra"), engineer for the District; Brittany Keeswood with Assessments of the Southwest ("ASW"), tax assessor/collector for the District; Riley Canonico; 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 March 24, 2025. After discussion, Director Williams made a motion to approve the minutes of the March 24, 2025, Board meeting, as amended. Director Wasim seconded the motion and it carried unanimously.

PUBLIC COMMENTS

No comments were received from members of the Public.

FINANCIAL ADVISOR'S REPORT

Mr. Lentz next presented the Financial Advisor's Report (the "Financial Advisor's Report").

A. Review and consider approval of the Official Notice of Sale and Preliminary Official Statement in connection with the District's Series 2025 Unlimited Tax Bonds and authorize distribution of same

Mr. Lentz first presented and reviewed with the Board the Official Notice of Sale and Preliminary Official Statement for the District's \$7,600,000 Unlimited Tax Bonds, Series 2025 (the "Series 2025 Bonds"). After discussion, Director Wasim moved that the Board (i) approve the Official Notice of Sale and Preliminary Official Statement for the Series 2025 Bonds, subject to the review of and comments by the Board, District staff, and District consultants, and (ii) authorize the distribution of same. Director Williams seconded the motion, which passed unanimously.

B. Designate a date, time, and place for the sale of the District's Series 2025 Unlimited Tax Bonds and authorize the District's Financial Advisor to advertise the sale of same

The Board next discussed setting a date for the sale of the Series 2025 Bonds. After discussion, Director Wasim moved that the Board sell the Series 2025 Bonds on Thursday, May 15, 2025, at 5:30 p.m. and authorize Masterson Advisors to advertise such sale as required by law. Director Williams seconded the motion, which passed unanimously.

C. Designate a Paying Agent/Registrar in connection with the District's Series 2025 Unlimited Tax Bonds

The Board then concurred to consider this agenda item at the May Board meeting.

D. Authorize application to Moody's Investors Service for a credit rating on the District's Series 2025 Bonds

Mr. Lentz next requested approval to file an application with Moody's Investors Service ("Moody's") for a credit rating on the District's Series 2025 Bonds (the "Credit Rating Application"). After discussion, a motion was made by Director Wasim to authorize Masterson Advisors to prepare and file a credit rating application with Moody's. The motion was seconded by Director Williams and carried by unanimous vote.

Ms. Sechrist next presented for the Board's approval a proposal from Orrick, Herrington & Sutcliffe, LLP ("Orrick"), for special tax counsel services related to the Series 2025 Bonds. She explained that Orrick will prepare the Federal Tax Certificate and Internal Revenue Service Form 8038G and perform other necessary tax work and analysis required in connection with the Series 2025 Bonds. After discussion, Director Wasim moved that the Board approve the proposal for special tax counsel services from Orrick. Director Williams seconded the motion, which carried unanimously.

DEVELOPER'S REPORT

Mr. Canonico next reported on the status of the proposed townhome development on a tract

of land outside the boundaries of the District near West Airport.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Keeswod then presented the Tax Assessor/Collector's Reports for February and March 2025 (collectively, the "Tax Reports"), copies of which are attached hereto as Exhibit "A". She reported that 95.62% of the District's 2024 taxes and 99.42% of the District's 2023 taxes had been collected as of March 31, 2025.

After discussion, Director Wasim made a motion to accept the Tax Reports 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 then presented a contract with Larson & Weisinger for a term from July 1, 2025, through June 30, 2027. After discussion, a motion was made by Director Williams to (i) accept the Delinquent Tax Attorney Report, and (ii) approve the contract with Larson & Weisinger for a term from July 1, 2025 through June 30, 2027.

ENGINEER'S REPORT

Mr. Canonico 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 discussed the Fort Bend Subsidence District Reuse Credit Program.

A. Permit Amendments and renewals

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

B. Capacity analysis

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

C. Authorize and/or approve Bond application reports

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

D. Construction of non-capital projects

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

E. Coordination of projects with Project Management Engineer

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

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

Mr. Canonico stated that he had no 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. Canonico 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. Canonico next presented Pay Estimate No. 1 for Work Order No. 5 submitted by Duran's Maintenance in the amount of \$176,346.00 for the sanitary sewer manhole and sidewalk repair project (the "Manhole Rehabilitation Project") in the Pheasant Creek subdivision. He stated that Ardurra recommends approval of this Pay Application.

Mr. Canonico next presented Pay Estimate No. 11 submitted by Industrial TX Corp. ("Industrial") in the amount of \$911,277.06 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.

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

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

J. Grant or consent to easements over District property

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

K. Review status of the developments within the District

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

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

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

M. Procedures planned for remediation and recovery

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

N. Evaluation planned to determine status of storm drainage systems

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

O. Reimbursement and payment options

Mr. Canonico 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 Estimate No. 1 for Work Order No. 5 submitted by Duran's Maintenance in the amount of \$176,346.00 for the Manhole Rehabilitation Project; and
- (iii) approve Pay Estimate No. 11 submitted by Industrial in the amount of \$911,277.06 for the Phase II STP Rehabilitation Project.

The motion was seconded by Director Quadir and carried unanimously.

ATTORNEY'S REPORT

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.

After discussion, a motion was made by Director Asif to accept the Attorney Report. The motion was seconded by Director Williams and carried by unanimous vote.

G. Adopt a Resolution Adopting Prevailing Wage Rate Scale for Construction Projects

Ms. Sechrist then presented a Resolution Adopting Prevailing Wage Rate Scale for Construction Projects (the "Wage Rate Resolution") and reviewed with the Board a survey (the "Survey") which reflected the prevailing wage rates for the City of Houston, Fort Bend County (the "County"), and the United States Department of Labor (the "DOL"). She informed the Board that the County has adopted the wage rate scale set by the DOL and that the Wage Rate Scale for the District was determined by taking an average of the DOL and the City of Houston wage rates. After discussion, a motion was made by Director Williams to adopt the Wage Rate Resolution. Director Quadir seconded the motion, which carried unanimously.

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 99% for March 2025. Mr. Cabrera then informed the Board that an employee recently hit the card reader system at the entrance to the District Administration Building while driving a District truck. He reported that a taillight on the District's truck was damaged. He also informed the Board that the employee was not injured and has been required to complete a defensive driving course.

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 information to report on this agenda item.

After discussion, a motion was made by Director Wasim to accept the Field Operations report, the Construction and Projects Summary Report, and the Building and Maintenance Report. The motion was seconded by Director Quadir 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.

After further discussion, a motion was made by Director Wasim 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. Perez stated that he had no information to report under these agenda items.

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".

After discussion, a motion was made by Director Williams 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 Wasim 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.**
- (iii) **Review and approve second quarter result of Group Goals for fiscal year 2024-2025.**

Ms. Ruvalcaba then presented the second quarter Group Goals Report. She reported that other than the minor incidents previously reported to the Board, all of the goals are on track to be met.

After discussion, a motion was made by Director Wasim to accept the second quarter Group Goals Report. The motion was seconded by Director Quadir and carried by unanimous vote.

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; and**
- (v) **Risk Management items.**

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

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); and
- (v) Consider hiring a security company for the District.

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

CONVENE IN EXECUTIVE SESSION TO DELIBERATE, REVIEW AND DISCUSS PENDING AND/OR POTENTIAL LITIGATION

At 6:20 p.m., the Board convened in Executive Session pursuant to the Texas Government Code. The Board reconvened in public session at 6:30 p.m.

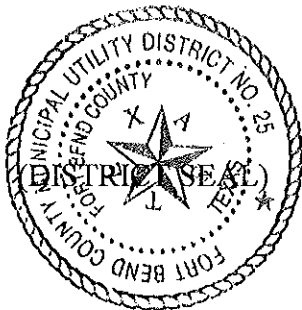
After discussion, a motion was made by Director Williams to authorize the District's attorney to negotiate a settlement of the storm sewer disposal issue with the owners of the Rosenberg Retail Center. The motion was seconded by Director Wasim and carried by unanimous vote.

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

PASSED, APPROVED, and ADOPTED this 15th day of May, 2025.



Secretary, Board of Directors



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