

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

January 16, 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 16th day of January, 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 Williams and Addicks, 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 and collector for the District; Mary Moore Hayes (by Zoom), District consultant; 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 December 19, 2024. After discussion, Director Wasim made a motion to approve the minutes of the December 19, 2024, Board meeting as presented. Director Quadir seconded the motion and it carried unanimously.

PUBLIC COMMENTS

No comments were received from members of the public.

DEVELOPER’S REPORT

Mr. Pena next reported on the request of the Sugar Land Church of Christ (the “Church”) to amend its current out-of-District service agreement with the District to add fifteen (15) additional water and sanitary sewer connections to serve a two story building it intends to construct on its property (the “Additional Service/Capacity Request”). He reported that the Church has

submitted its plans for the installation of an additional meter, additional backflow preventers, a private sewer line, a private lift station, a private force main and a grease trap (the “Church Utilities”) to Ardurra for review and approval.

TAX ASSESSOR/COLLECTOR’S REPORT

Mr. Patterson then presented the Tax Assessor/Collector’s Report for December 2024 (the “Tax Report”), a copy of which is attached hereto as **Exhibit “A”**. He reported that 24.57% of the District’s 2024 taxes and 99.19% of the District’s 2023 taxes had been collected as of December 31, 2024.

After discussion, Director Asif made a motion to accept the Tax Report and authorize payment of all disbursements listed thereon or otherwise presented at the meeting. Director Wasim 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”**.

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

Ms. Sechrist next informed the Board that the bond application report for the District’s Series 2025 unlimited tax bonds had been submitted to the Texas Commission on Environmental Quality (the “TCEQ”) and that it should be approved in early March.

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 next informed the Board that four (4) bids had been received for the installation of a new force main along F.M. 1464 and upgrades to Lift Station Nos. 6 and 11 (the "Force Main and Lift Station Nos. 6 and 11 Project"). He stated that Ardurra recommends that after discussions with District staff, the District award the contract for this project to the apparent low bidder, AR Turnkee Construction Company ("Turnkee").

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

Mr. Pena then presented Change Order No. 1 submitted by The Brandt Company ("Brandt") in the amount of \$6,363.00 to install a breaker for an air compressor and a new transformer at the electrical equipment replacement project at Water Plant No. 3 (the "Water Plant No. 3 Electrical Equipment Replacement Project"). He informed the Board that Ardurra recommends approval of this Change Order.

Mr. Pena next presented Pay Application No. 10 from Gilleland Smith Construction, Inc. ("Gilleland"), in the amount of \$101,700.00 for the new hydropneumatic tank at Water Plant No. 3 (the "Hydro Tank Project"). He informed the Board 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 Quadir made a motion to:

- (i) accept the Engineer's Report;
- (ii) approve Change Order No. 1 submitted by Brandt in the amount of \$6,363.00 for the Water Plant No. 3 Electrical Equipment Replacement Project;
- (iii) approve Pay Application No. 10 submitted by Gilleland in the amount of \$101,700.00 for the Hydro Tank Project; and
- (iv) award the contract for the Force Main and Lift Station Nos. 6 and 11 Project to Turnkee, the responsible bidder who, in the Board's judgment, will be most advantageous to the District and result in the best and most economical completion of the project, subject to review by the District's attorney of the payment and performance bonds and insurance certificates submitted in connection therewith to determine if they meet the requirement of the Texas Insurance Code, the rules of the Texas Commission on Environmental Quality (the "TCEQ"), and the provisions of the Texas Water Code.

The motion was seconded by Director Wasim and carried unanimously.

ATTORNEY'S REPORT

The Board next conducted its yearly review of the District's Investment Policy, as required by statute. After discussion, Director Wasim moved that the Board adopt a Resolution Confirming Investment Policy for the District. Director Asif seconded the motion and it carried unanimously.

- 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;
- (viii) QLIP items; and
- (ix) Authorize Operations staff to provide required information to districts receiving water through emergency interconnects relative to Consumer Confidence Reports.

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 December 2024.

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

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

Mr. Cabrera then reported that the inventory building expansion is 90% complete.

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 Wasim 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 discussion, a motion was made by Director Wasim to terminate water service after January 27, 2025, 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 Quadir 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 reported that all of the District’s lift stations were now on line and connected to the SCADA system and all but three (3) of the lift stations had surveillance capacity.

After discussion, a motion was made by Director Wasim to accept the Information Technology Report. Director Quadir seconded the motion, and it carried unanimously.

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 then reported that two (2) certificates of deposit at Industry State Bank, one with operating funds and one with debt service funds, earning 3.73% interest (the "CDs"), were maturing on January 24. He informed the Board that Texas Class is currently paying 4.70% interest.

After discussion, a motion was made by Director Wasim to (i) accept the Bookkeeper's Report, (ii) authorize the payment of all disbursements listed thereon or otherwise presented at the meeting, and (iii) transfer the funds on deposit in the CDs upon maturity to Texas Class. The motion was seconded by Director Asif 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;**
- (vi) **Review and approve first quarter result of Group Goals for fiscal year 2024-2025; and**
- (vii) **Approve Annual Drought Contingency Plan.**

Ms. Ruvalcaba then presented the 1st quarter Group Goals report. She reported that other than the two (2) minor accidents previously reported to the Board, all of the goals were on track to be met.

Mr. Cabrera then presented an annual Drought Contingency Plan (the "Drought Contingency Plan") for the Board's review and approval. He informed the Board that no changes were made from the prior year's plan.

After discussion, a motion was made by Director Wasim to accept the 1st quarter Group Goals report and approve the Drought Contingency Plan. 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.

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

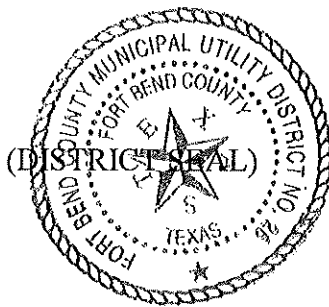
At 6:20 p.m., the Board convened in Executive Session pursuant to the Texas Government Code. The Board reconvened in public session at 6:50 p.m.

After discussion, a motion was made by Director Wasim to approve Ms. Ruvalcaba's performance review and award her a merit annual review payment per the District's policies. The motion was seconded by Director Asif and carried by unanimous vote.

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



Secretary, Board of Directors



LIST OF ATTACHMENTS

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