

MINUTES  
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 31

July 24, 2025

The Board of Directors (the "Board") of Brazoria County Municipal Utility District No. 31 (the "District") met in regular session, open to the public, on the 24<sup>th</sup> day of July 2025, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, outside the boundaries of the district, and the roll was called of the members of the Board:

Micah Kreikemeier	President
Douglas Chumley	Vice President
James Lee, Jr.	Secretary
Andrew Yorlano	Assistant Vice President
Adrienne Brown	Assistant Secretary

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

Also present at the meeting were: Destinie Washington, resident of the District; John Howell, Jr. of The GMS Group, LLC; Andrew Faubion and Noell Myska of Terry's Landscape LLC ("Terry's"); Demitra Berry of McLennan & Associates, LP; Brittini Silvia of Assessments of the Southwest, Inc.; Stephanie Lee of KGA/DeForest Design LLC; Debra Vincent and Mike Christopher of Elevation Land Solutions; Justin Waggoner of Touchstone District Services, LLC ("Touchstone"); and Jessica Holoubek, Allison Leatherwood, and Arlene Catalan of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

The Board offered any members of the public attending the meeting the opportunity to make a public comment. There being no members of the public requesting to make a public comment, the Board moved to the next agenda item.

Director Brown requested that the meeting reports be sent sooner than the day before the meeting. Discussion ensued. Following the discussion, Ms. Holoubek stated ABHR would distribute the link with the reports the Monday before the meeting.

APPROVE MINUTES

The Board considered approving the minutes of June 26, 2025, regular meeting. Following review and discussion, Director Lee moved to approve the June 26, 2025, regular meeting minutes listed above, as presented. Director Chumley seconded the motion, which passed unanimously.

## BOOKKEEPER'S REPORT

Ms. Berry reviewed the bookkeeper's report, including a budget comparison and the bills submitted for the Board's review. A copy of the bookkeeper's report is attached. Following review and discussion, Director Yorlano moved to approve the bookkeeper's report and the checks presented for payment. Director Lee seconded the motion, which passed unanimously.

## TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Silva reviewed the District's tax report, a copy of which is attached. She noted that the District's 2024 taxes were 98.77% collected by the end of June. Following review and discussion, Director Lee moved to approve the tax report and payment of the tax bills. The motion was seconded by Director Chumley and passed unanimously.

## ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2025 TAX YEAR

Ms. Holoubek discussed "truth-in-taxation" property tax calculations and the tax levy process for water districts in Chapter 49, Texas Water Code. She reviewed the definitions for three categories for water districts, based on a district's development status and/or tax rate and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code. Ms. Holoubek stated that the legislation allows a "developed" district to use alternate notice and calculation procedures following a declared disaster.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developing District for the 2025 tax year.

Following review and discussion, Director Lee moved to adopt a Resolution Regarding Development Status for 2025 Tax Year establishing the District as a Developing district for the 2025 tax year, pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Chumley seconded the motion, which passed unanimously.

## REPORT ON DETENTION MAINTENANCE IN THE DISTRICT

Mr. Faubion presented and reviewed a report on maintenance of the detention facilities, a copy of which is attached.

Mr. Faubion reported that the Sterling Lakes Property Owners Association notified the District regarding a fallen fence on the District's property. Discussion ensued. After discussion, Mr. Faubion stated that Terry's would prepare a proposal for the repair of the fallen fence for the Board's consideration at the next meeting.

## LANDSCAPING IMPROVEMENT PROJECTS

Ms. Lee presented and reviewed the Landscape Architect report, a copy of which is attached.

Ms. Lee updated the Board regarding the construction of Sterling Lakes North (Canterra Creek) Sections 4 and 6 Landscape Improvements and reviewed and recommended approval of Pay Estimate No. 8 in the amount of \$136,977.17, payable to Terry's.

Ms. Lee updated the Board regarding the construction of Canterra Creek Karsten Boulevard Landscape Improvements and reviewed and recommended approval of Pay Estimate No. 7 in the amount of \$3,599.10, payable to Woodcreek Landscape Company, Inc.

Ms. Lee updated the Board regarding the construction of Sidewalk Improvements and reviewed and recommended approval of Pay Estimate No. 3 and Final in the amount of \$2,932.00, payable to A Group Construction, LLC. She also presented a Certificate of Completion and Acceptance and recommended the Board accept the facilities.

Following review and discussion, and based on the landscape architect's recommendation, Director Lee moved to: (1) approve the Landscape Architect report; (2) approve Pay Estimate No. 8 in the amount of \$136,977.17; (3) approve Pay Estimate No. 7 in the amount of \$3,599.10; and (4) approve Pay Estimate No. 3 and Final in the amount of \$2,932.00, and to accept the facilities. Director Chumley seconded the motion, which passed unanimously.

## STORMWATER PERMITTING MATTERS, INCLUDING APPLICATION FOR COVERAGE UNDER 2024 TPDES GENERAL PERMIT NO. TXR040000, AND APPROVE MASTER SERVICES AGREEMENT WITH STORM WATER SOLUTIONS AND PROPOSAL FOR SERVICES

There was no discussion on this agenda item.

## ENGINEERING MATTERS

Ms. Vincent reviewed the engineer's report, a copy of which is attached.

Ms. Vincent updated the Board regarding construction of Karsten Boulevard North Phase IV water, drainage and paving and reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$318,291.26, payable to Rodriguez Construction Group, LLC ("Rodriguez Construction").

Ms. Vincent reviewed and recommended approval of Change Order No. 5 to the

contract with Anchor Excavators, Inc. ("Anchor") for Sterling Lakes North Detention and Mass Grading Phase I to decrease the contract in the amount of \$7,510.40. The Board determined that Changed Ordere No. 5 is beneficial to the District. She then reviewed and recommended approval of Pay Estimate No. 18 and Final in the amount of \$8,862.75, payable to Anchor. She also presented a Certificate of Completion and Acceptance and recommended the Board accept the facilities.

Mr. Christopher updated the Board regarding the Lake Edge Repair. He stated that ELS and Anchor Excavators, Inc. ("Anchor") met onsite and, due to a change in Anchor's staff and availability, as well as constructability issues, ELS is recommending that the District cancel the remainder of the contract with Anchor. Mr. Christopher stated that ELS is recommending and requesting authorization to engage a structural engineer to design the wall repair and authorization to advertise for bids for the repair scope.

Ms. Vincent updated the Board regarding construction of Cedar Rapids Commercial detention and mass grading and reviewed and recommended approval of Pay Estimate No. 4 in the amount of \$67,815.00, payable to DC Contracting Services, LLC. She noted that, due to the location of the project, the contract is with the District; however, the project serves Brazoria County MUD No. 32 ("BCMUD32"). She further stated that BCMUD32 will be reimbursing the District for the project costs.

Ms. Vincent updated the Board regarding the construction of Sterling Lakes Drive Extension sanitary, drainage, and paving facilities and requested and recommended approval of Pay Estimate No. 2 in the amount of \$436,868.12, payable to Rodriguez Construction.

Following review and discussion, Director Lee moved, based on the engineer's recommendation, to: (1) approve the engineer's report; (2) approve Pay Estimate No. 2 in the amount of \$318,291.26; (3) approve Change Order No. 5 in the amount of \$7,510.40 as a decrease to the contract with Anchor, based upon the Board's finding that the Change Order is beneficial to the District; (4) approve Pay Estimate No. 18 and Final in the amount of \$8,862.75, and to accept the facilities; (5) authorize ELS to engage a structural engineer and to advertise for bids for the Lake Edge Repair; (6) approve Pay Estimate No. 4 in the amount of \$67,815.00; and (7) approve Pay Estimate No. 2 in the amount of \$436,868.12. Director Yorlano seconded the motion, which passed unanimously.

#### \$9,500,000 UNLIMITED TAX BONDS, SERIES 2025

Mr. Howell distributed and reviewed a No Growth Debt Service Cash Flow for the District's \$9,500,000 Unlimited Tax Bonds, Series 2025 ("Series 2025 Bonds").

Mr. Howell reviewed the Preliminary Official Statement and Official Notice of Sale for the Series 2025 Bonds. He stated that the bond sale will be scheduled for September 4, 2025, at 10:00 a.m.

Mr. Howell discussed engaging Standard & Poor's Global Ratings ("S&P") to perform a credit rating analysis for the Series 2025 Bonds.

The Board considered appointing a Paying Agent/Registrar for the Series 2025 Bonds.

The Board considered authorizing the District's financial advisor to advertise the sale of the Series 2025 Bonds.

The Board considered engaging Forvis Mazars, LLP ("Forvis") to prepare the developer reimbursement report for the Series 2025 Bonds.

Following review and discussion, Director Lee moved to: (1) approve the Preliminary Official Statement and Official Notice of Sale; (2) engage S&P to perform a private credit rating analysis for the Series 2025 Bonds; (3) appoint Bank of Oklahoma as the Paying Agent/Registrar for the Series 2025 Bonds; (4) authorize the District's financial advisor to advertise the sale of the Series 2025 Bonds to occur on September 4, 2025, at 10:00 a.m.; and (5) engage Forvis to prepare the developer reimbursement report for the Series 2025 Bonds. Director Chumley seconded the motion, which passed unanimously.

#### DEEDS AND EASEMENTS

There was no discussion on this agenda item.

#### STERLING LAKES PROPERTY OWNERS ASSOCIATION'S ("POA") MATTERS

There was no discussion on this agenda item.

#### REPORT ON DEVELOPMENT

There was no discussion on this agenda item.

#### REVIEW PROPOSALS FOR ELECTION OUTREACH AND WEBSITE SERVICES

Mr. Waggoner presented and reviewed the A1 - Website and Compliance Maintenance proposal, a copy of which is attached. He stated that there would be a one-time setup fee of \$2,950.00, and a monthly hosting fee of \$250.00. Discussion ensued. Mr. Waggoner responded to the Board's questions and comments. After review and discussion, Director Chumley moved to: (1) approve the A1 - Website and Compliance Maintenance proposal; and (2) terminate the District's service agreement

with Off Cinco, LLC ("Off Cinco") and authorize ABHR to provide written notice to Off Cinco. Director Yorlano seconded the motion, which passed unanimously.

Mr. Waggoner then presented and reviewed the A3 – Election Education Support proposal, a copy of which is attached. He stated that there would be a one-time election engagement fee of \$4,000.00, and a monthly flat fee of \$3,000.00 starting in August 2025 through the end of May 2026. After review and discussion, Director Lee moved to: (1) approve the Touchstone District Services Consulting Agreement, subject to final review; and (2) approve the A3 – Election Education Support proposal. Director Chumley seconded the motion, which passed unanimously.

#### TERMINATE SERVICE AGREEMENT WITH OFF CINCO FOR WEBSITE SERVICES

There was no discussion on this agenda item.

#### DISCUSS SOCIAL MEDIA POLICY

There was no discussion on this agenda item.

#### REPORT REGARDING LEGISLATIVE MATTERS

Ms. Leatherwood reviewed the 2025 ABHR Capitol Report of the 89th Regular Session summarizing significant legislation applicable to municipal utility districts.

#### NEXT MEETING DATE

The Board noted that the next regular meeting would be rescheduled to September 4, 2025, subject to securing a quorum.

There being no further business to come before the Board, Director Chumley made a motion to adjourn the meeting. Director Yorlano seconded the motion, which passed unanimously.



  
Secretary, Board of Directors

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