

MINUTES  
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 36

September 12, 2024

The Board of Directors (the "Board") of Brazoria County Municipal Utility District No. 36 (the "District") met in regular session, open to the public, on the 12<sup>th</sup> day of September, 2024, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Mark Nokelby	President
Emma Delgado	Vice President
Esther Flores	Secretary
Kimberly Stevens	Assistant Vice President
Paul Torres	Assistant Secretary

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

Also attending the meeting were Veronica Hernandez of McLennan & Associates, L.P.; Madeline James of Assessments of the Southwest, Inc.; Todd A. Elston of R. G. Miller Engineer's, Inc.; Corey Laughner of KGA/DeForest Design, LLC ("KGA"); Ryan Haynes of Environmental Allies; Danae Dehoyos of Touchstone District Services; and Heather Kelly and Kathryn Easey of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no public comments received by the Board.

APPROVE MINUTES

The Board considered approving the minutes of the August 8, 2024, regular meeting. Following review and discussion, Director Nokelby moved to approve the August 8, 2024, regular meeting minutes, as presented. Director Stevens seconded the motion, which passed unanimously.

AUDIT REPORT FOR FISCAL YEAR END MAY 31, 2024

The Board deferred action on this agenda item.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Hernandez reviewed the bookkeeper's report with the Board, a copy of which is attached. She reviewed updates to expense line items on the amended budget for the fiscal year end May 31, 2025. Discussion ensued regarding Flock security installation and annual subscription costs. Following review and discussion, Director Nokelby moved to

(1) approve the bookkeeper's report and payment of the bills; and (2) approve the amended budget, as discussed. Director Torres seconded the motion, which passed unanimously.

#### ANNUAL REVIEW OF INVESTMENT POLICY

The Board conducted its annual review of the District's Investment Policy, and Ms. Kelly stated that neither ABHR nor the bookkeeper have any recommended changes. After review and discussion, Director Nokelby moved to adopt a Resolution Regarding Annual Review of Investment Policy and direct that the resolution be filed appropriately and retained in the District's official records. Director Flores seconded the motion, which passed unanimously.

#### RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

Ms. Kelly reviewed a Resolution Establishing Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions. She next reviewed a list of qualified broker/dealers provided by the District's bookkeeper, a copy of which is attached. After review and discussion, Director Delgado moved to adopt a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions and direct that the resolution be filed appropriately and retained in the District's official records. Director Nokelby seconded the motion, which passed unanimously.

#### TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. James presented and reviewed the tax report from August, a copy of which is attached, including the delinquent tax roll. Following review and discussion, Director Flores moved to approve the tax report and payments to be made from the tax account. Director Stevens seconded the motion, which passed unanimously.

#### CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Kelly stated that notice was published of the public hearing to be held at the September 12, 2024 meeting regarding adoption of the District's 2024 tax rate.

The Board opened the public hearing. There being no comments from the public, the Board closed the public hearing.

Ms. Kelly presented an Order Levying Taxes reflecting the proposed 2024 tax rate. She then presented an Amendment to Information Form reflecting the tax rate and stated that the Amendment will be filed with the Texas Commission on Environmental Quality ("TCEQ") and recorded in the Official Public Records of Brazoria County.

After review and discussion, Director Nokelby moved to (1) adopt the Order Levying Taxes reflecting a total 2024 tax rate of \$0.6438 per \$100 of assessed valuation, comprised of \$0.52 to pay debt service on water, sewer, and drainage bonds, and \$0.1238 for operations and maintenance; (2) approve the Amendment to Information Form and direct that it be filed with the TCEQ and the Official Public Records of Brazoria County; and (3) direct that the Order and Amendment be filed appropriately and retained in the District's official records. Director Torres seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Mr. Elston presented and reviewed the engineer's report, a copy of which is attached, and updated the Board on the status of ongoing projects as noted in his report.

Mr. Elston updated the Board on the status of the construction of the Kendall Lakes Section 12 Detention facilities. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$225,229.50, payable to Southern Styles Services, LLC ("Southern Styles"). Discussion ensued regarding detention facilities serving the commercial tract in Section 12 and detention facilities design criteria.

The Board discussed the process for petitioning the City to construct an additional exit lane for the community.

Following review and discussion, Director Nokelby moved to (1) approve the engineer's report; and (2) approve Pay Estimate No. 1 in the amount of \$225,229.50, payable to Southern Styles, for construction of the Kendall Lakes Section 12 Detention facilities. Director Delgado seconded the motion, which passed unanimously.

UNLIMITED TAX BONDS, SERIES 2024

Mr. Elston and Ms. Kelly updated the Board on the status of the bond application for the Unlimited Tax Bonds, Series 2024, currently under review by the TCEQ.

Ms. Kelly requested that the Board authorize preparation of the Preliminary Official Statement and Official Notice of Sale for the District's Series 2024 Unlimited Tax Bonds and authorize the District's auditor to prepare the developer reimbursement report.

Following review and discussion, Director Flores moved to authorize preparation of the Preliminary Official Statement and Official Notice of Sale for the District's

proposed Series 2024 Unlimited Tax Bonds and to authorize the District’s auditor to prepare the developer reimbursement report. Director Nokelby seconded the motion, which passed unanimously.

DEEDS, EASEMENTS, AND CONSENTS TO ENCROACHMENT, AND ABANDONMENT OF EASEMENTS

There was no discussion on this agenda item.

PARK PROJECTS AND UTILIZATION OF OPEN SPACE AND RECREATIONAL MATTERS

Mr. Laughner presented updated designs and reviewed the cost summary for the proposed park projects in the District, copies of which are attached. He discussed the features of solar lighting, including battery life span and costs, warranty, maintenance, and lighting output. He reviewed lighting models based on 80-100-120 foot spacing between lights. He then discussed KGA’s design and construction management services.

Discussion ensued regarding trail interconnectivity, trail access points, light pole placement along lot lines, lighting options along CenterPoint Energy, Inc.’s easement, and solar lighting fixtures. The Board concurred to move forward with the lighting project with the Leaf 4 design fixture based on 100-foot spacing.

Mr. Laughner stated he will present updated designs and cost summary based on 100-foot spacing, as well as tailored spacing for lighting along certain lot lines, for the Board’s review at the next meeting.

FINANCIAL AND BOOKKEEPING MATTERS (continued)

Ms. Hernandez discussed further amending the District’s budget for the fiscal year end May 31, 2025, to include the adopted tax rate for 2024. Following review and discussion, Director Nokelby moved to approve the amended budget to include the adopted tax rate for 2024. Director Torres seconded the motion, which passed unanimously.

REPORT ON MAINTENANCE OF DISTRICT FACILITIES

Mr. Haynes reviewed a detention maintenance report with the Board, a copy of which is attached.

Mr. Haynes noted there is storm-damaged fence debris located throughout the community.

Mr. Haynes discussed concerns of significant erosion surrounding the northeast and north side of the District’s south detention basin. He stated he will obtain cost

estimates for Flexamat and terraces to address erosion along the steep slopes of the south detention basin.

Mr. Haynes noted there is an erosion reel on the south bank of the District's north detention basin that is being monitored. He stated the erosion may be caused by ongoing construction in the area.

Mr. Haynes stated he will update the proposal to repair erosion at both detention basins for review at the next meeting.

SECURITY MATTERS

Ms. Kelly updated the Board on the status of the installation of Flock Safety security cameras at the entrance and exit to the District. She stated that based on resident feedback, signage will be installed stating the areas are being monitored.

DISTRICT WEBSITE MATTERS

Ms. Dehoyos reviewed a communications report related to the District's website, a copy of which is attached. She stated the Parks Survey is closed and reviewed the final Parks Survey Snapshot with the Board, a copy of which is attached to the communications report. The Board discussed new resident outreach methods using the District's website.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

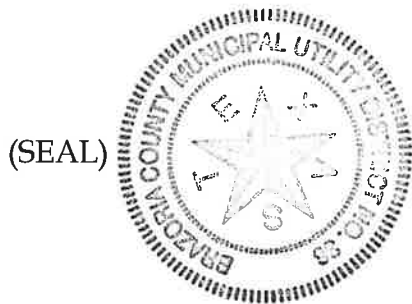
There was no discussion on this agenda item.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.



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Secretary, Board of Directors



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