

GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 66

Minutes of Meeting of Board of Directors

January 17, 2025

The Board of Directors (the "Board") of Galveston County Municipal Utility District No. 66 (the "District") met in regular session open to the public on January 17, 2025, at its regular meeting place, 6300 West Loop South, Suite 415, Bellaire, Texas 77401, in accordance with the duly posted notice of the meeting, and the roll was called of the duly constituted members of the Board as follows:

Jeffrey M. Cravey	President
Reneé Koch	Vice President
Joe P. Jameson	Secretary
Donna Rickenbacker	Assistant Secretary
Randy Stuewer	Assistant Vice President

and all of said persons were present, except Directors Koch and Stuewer, thus constituting a quorum.

Also present during all or a portion of the meeting were: Terrie Sechrist with Sechrist Duckers LLP, attorneys for the District; Pamela Redden with McLennan & Associates, bookkeeper for the District; Sean Humble with Sherrington-Humble LLC ("S-H"), engineers for the District; David Patterson with Assessments of the Southwest ("ASW"), tax assessor-collector for the District; and Andy Zepeda with CastleRock Communities ("CastleRock") and Brianne Geaslin with KB Home, developers of land within the District.

Evidence was presented that public notice of the meeting was given in compliance with the law and the meeting was called to order.

MINUTES

The Board first considered approval of the minutes of its regular meeting held on December 20, 2024. After discussion, a motion was made by Director Jameson to approve the minutes of the December 20, 2024, Board meeting, as presented. The motion was seconded by Director Rickenbacker and carried by unanimous vote.

PUBLIC COMMENTS

No comments were received from members of the public.

TAX ASSESSOR/COLLECTOR'S REPORT

Mr. Patterson next presented the Tax Assessor/Collector's Report for December (the "Tax Report"), a copy of which is attached hereto as Exhibit "A". He informed the Board that 13.14% of the District's 2024 taxes and 99.62% of the District's 2023 taxes have been collected as of December 31, 2024.

After discussion, a motion was made by Director Rickenbacker to accept the Tax Report and

authorize payment of all disbursements listed therein or otherwise presented at the meeting. The motion was seconded by Director Jameson and carried unanimously.

BOOKKEEPER'S REPORT

Ms. Redden next presented the Bookkeeper's Report as of January 17, 2025, and an Investment Report for December 2024 (collectively, the "Bookkeeper's Report"), copies of which are attached hereto as **Exhibit "B"**.

After discussion, Director Jameson moved to accept the Bookkeeper's Report and authorize payment of all disbursements listed thereon or otherwise presented at the meeting. The motion was seconded by Director Rickenbacker and carried by unanimous vote.

INVESTMENT POLICY

The Board next considered a review of the District's current Investment Policy, as required by statute. Ms. Sechrist then presented a Resolution Confirming the Investment Policy for the District (the "Investment Policy Resolution"). After discussion, Director Rickenbacker moved that the Board adopt the Investment Policy Resolution. Director Jameson seconded the motion and it carried unanimously.

ENGINEER'S REPORT

Mr. Humble then presented the Engineer's Report, a copy of which is attached hereto as **Exhibit "C"**. He first discussed an analysis of the future bonding capacity needs of the District, a copy of which is attached hereto as part of **Exhibit "C"**. He informed the Board that the District will need an additional \$30,000,000 in unlimited tax bonds for the design and construction of water, sanitary sewer and drainage facilities to serve property in the District and an additional \$10,000,000 in unlimited tax bonds to design and construct park and recreational facilities within the District (the "Bond Issue Requirements").

Discussion then ensued regarding the retention of a marketing consultant to assist with the upcoming bond election. Mr. Humble informed the Board that Touchstone District Services ("Touchstone") has experience in promoting municipal utility district bond elections.

A. **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. Humble stated that S-H had no information to report under this agenda item.

B. **APPROVE AND/OR CONCUR IN THE APPROVAL OF PAY ESTIMATES AND CHANGE ORDERS ON CURRENT CONSTRUCTION PROJECTS WITHIN THE DISTRICT**

Mr. Humble stated that S-H had no information to report under this agenda item.

C. **ACCEPT SITE AND/OR EASEMENT CONVEYANCES FOR FACILITIES CONSTRUCTED OR TO BE CONSTRUCTED FOR OR ON BEHALF OF THE DISTRICT**

Mr. Humble stated that S-H had no information to report under this agenda item.

D. **GRANT OR CONSENT TO EASEMENTS OVER DISTRICT PROPERTY**

Mr. Humble stated that S-H had no information to report under this agenda item.

E. **REVIEW AND APPROVE BOND APPLICATION REPORTS**

Mr. Humble stated that he is working on finalizing the current bond application report for water, sanitary, sewer, drainage and park and recreational facilities.

After discussion, a motion was made by Director Rickenbacker to (i) accept the Engineer's Report, (ii) approve the Bond Issue Requirements, and (iii) authorize Mr. Humble to obtain a proposal from Touchstone to provide marketing services for the upcoming bond election. Director Rickenbacker seconded the motion, which carried unanimously.

ATTORNEY'S REPORT

A. **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 TEXAS CITY FOR CONSENT TO ANNEXATION, ADOPTION OF ORDERS ADDING LAND INTO THE DISTRICT AND APPROVAL OF AMENDMENTS TO DISTRICT INFORMATION FORM.**

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

B. **APPROVAL OF UTILITY COMMITMENT LETTERS**

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

C. **APPROVAL OF DEVELOPER REIMBURSEMENT AGREEMENTS**

Ms. Sechrist stated that she had no information to report under 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 AND/OR A CHANGE IN USE OF FUNDS**

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

E. **APPROVAL OF THE AUDITS AND/OR APPRAISALS FOR REIMBURSEMENT TO DEVELOPERS FROM THE PROCEEDS OF THE SALE OF THE DISTRICT'S BONDS OR OTHER DISTRICT FUNDS**

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

Ms. Sechrist then discussed the items on the supplemental agenda.

1. **ORDER CALLING BOND ELECTION**

The Board next considered calling a Bond Election for May 3, 2025 (the "Bond Election"). Ms. Sechrist presented an Order Calling the Bond Election (the "Election Order"), which sets forth all legal requirements for such election. After discussion, it was moved by Director Rickenbacker, seconded by Director Jameson, and unanimously carried that the Election Order be adopted for the purpose of holding an election for the issuance of \$30,000,000 in unlimited tax bonds for the design and construction of water, sanitary sewer and drainage facilities to serve property in the District and \$10,000,000 in unlimited tax bonds to design and construct park and recreational facilities within the District and that the District's attorney and election agent be instructed to handle the mechanics of the Bond Election.

2. **APPROVAL OF ELECTION CONTRACT**

The Board next considered approval of a Contract for Election Services with Galveston County for the Bond Election. After discussion, Director Jameson made a motion to approve the Contract for Election Services with Galveston County. Director Rickenbacker seconded the motion which carried unanimously.

3. **APPOINTMENT OF AN ELECTION AGENT**

The Board next considered the appointment of an agent for the Bond Election. After discussion, Director Rickenbacker made a motion to appoint Erica Rhodes as the District's agent to perform election duties for the Bond Election. Director Jameson seconded the motion which carried unanimously.

After discussion, a motion was made by Director Jameson to accept the Attorney's Report. The motion was seconded by Director Rickenbacker and carried by unanimous vote.

DEVELOPERS' REPORT

Ms. Geaslin then presented a report on behalf of KB Home, a copy of which is attached hereto as part of **Exhibit "D"**. She stated that KB Home has two of the three sections in the Vida Costera subdivision (148 of 204 lots).

Mr. Zepeda then presented a report on behalf of CastleRock, a copy of which is attached hereto as part of **Exhibit "D"**. He stated that CastleRock has completed and sold all of the lots/homes in Pearlbrook, Sections 1 through 7 and is currently building and selling homes in Sections 8 and 9.

After discussion, a motion was made by Director Jameson to accept the Developers' Reports. The motion was seconded by Director Rickenbacker and carried unanimously.

ADJOURNMENT

There being no other business to come before the Board, the meeting was adjourned.

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




Secretary, Board of Directors

https://sdlawfirms.sharepoint.com/sites/S-D_Data/Sechrist/Sechrist_Shared/GalMUD66/Minutes/2025/01.17.25 Minutes.docx

LIST OF ATTACHMENTS

<u>Exhibit "A"</u>	Tax Assessor/Collector's Report
<u>Exhibit "B"</u>	Bookkeeper's Report
<u>Exhibit "C"</u>	Engineer's Report
<u>Exhibit "D"</u>	Developers' Reports