

HARRIS-FORT BEND COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1
NOTICE OF SPECIAL PUBLIC MEETING

Notice is hereby given to all interested members of the public that the Board of Directors of the above-captioned District will hold a special public meeting at **24503 Falcon Point Boulevard, Katy, Fort Bend County, Texas**, said address being a meeting place of the District.

The meeting will be held on Tuesday, September 23, 2025, at 2:30 p.m.

The Board shall consider and discuss the following matters and take any action necessary or appropriate with respect to such matters:

1. Public comments;
2. CONSENT AGENDA – This agenda consists of ministerial or "housekeeping" items required by law and items of a non-controversial nature. These items will be considered by a single motion unless removed and placed on the Regular Agenda for individual consideration at the request of any Director;
 - (a) Approve the minutes of the August 12, 2025, and August 19, 2025, Board of Directors meetings;
 - (b) Bookkeeper's Report, including financial and investment reports, and authorizing the payment of invoices presented;
 - (c) Adoption of Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with District;
 - (d) Annual Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer, and adoption of Resolution in connection therewith;
 - (e) Review interim report provided by Arbitrage Compliance Specialists, Inc. in connection with the District's Unlimited Tax Bonds, Series 2023;
 - (f) Tax Assessor-Collector's Report, including authorizing payment of invoices presented, approving the movement of account(s) to uncollectible roll and approval of installment agreements; and
 - (g) Report and legal action taken by the District's delinquent tax collections attorney, including authorizing foreclosure proceedings, installment agreements, and the filing of proofs of claim;
3. REGULAR AGENDA – This agenda consists of items requiring individual consideration by the Board;
 - (a) Approval of operating budget for fiscal year ending September 30, 2026;
 - (b) Receive the Financial Advisor's recommendation concerning the District's proposed 2025 tax rate, determine intended tax rate, and authorize:
 - i. The required notice that the Board will consider adoption of a tax rate; and
 - ii. The means of providing such notice;
 - (c) Approval of Interlocal Agreement for Additional Law Enforcement Services between Fort Bend County and the District (10/01/2025– 09/30/2026);
 - (d) Security Report from Fort Bend County Constable Precinct 1, including monthly incident report generated from Flock Security cameras;
 - (e) Trash and recycling collection report from GFL Environmental;

- (f) Engineer's Report and Capital Improvement Projects, including:
 - i. Authorizing the design and advertisement for bids and/or award of construction contracts for water, sewer, drainage, and recreational facilities to serve the District; acceptance of TEC Form 1295;
 - (a) Surface Water Delivery and Chloramine Disinfection Notification from North Fort Bend Water Authority ("NFBWA");
 - (b) Conversion of chlorine gas to liquid bleach at Water Plants;
 - (c) Replacement of sidewalks, including Sidewalk Replacement Program, Phase One; and
 - (d) Slope repair along Channel Va3;
 - ii. Status of construction contracts, including approval of pay estimates and change orders and/or acceptance of facilities for operation and maintenance purposes,
 - (a) Phase II and Phase III cleaning and televising of submerged storm sewers located within Falcon Point and Falcon Rock (AR Turnkee);
 - (b) Storm sewer and manhole improvement project (AR Turnkee);
 - (c) Sanitary sewer rehabilitation project (Ram Rod Utilities, LLC);
 - (d) Clean and televise Phase I submerged storm sewers located in Falcon Point (BCAC Underground, LLC);
 - (e) Recoating, Structural and Mechanical Repairs to Joint Wastewater Treatment Plant (CFG Industries, LLC); and
 - (f) Lake Edge Erosion Repair Project (Silt Solutions); negotiations with Club at Falcon Point and Spirit Realty regarding First Amendment to Detention Pond Agreement;
 - iii. Requests for service and/or annexation;
 - iv. Status of preparation of application to the TCEQ for road powers;
 - v. Status of preparation of long-term Capital Improvement Plan;
 - vi. Status of compliance with TCEQ Phase II Small MS4 General Permit, including public comments and any training that is necessary under the Storm Water Management Plan; and
 - vii. Discussion regarding Willow Fork and drainage channel maintenance; and
 - viii. Acquisition or acceptance of sites or easements for District facilities;
- (g) Operator's Report, including:
 - i. Appeals of District Charges;
 - ii. Referral of accounts for collection; write-off of uncollectible accounts;
 - iii. Implementation of NFBWA Water Provider Conservation Program initiatives;
 - iv. Status of filing water conservation plan annual implementation report; and
 - v. Approval of Application for Water Smart Program;
- (h) Committee Reports, including:
 - i. CIP Committee;
 - ii. Finance Committee; financial management plan;
 - iii. Sidewalk Committee;
 - iv. Park Plan Committee; and
 - v. Communications Committee;
- (i) Communications Report provided by Touchstone District Services, including voter education related to November 4, 2025, bond authorization election;

4. Attorney's Report;

5. Convene in Closed Session in accordance with Texas Open Meetings Act, including but not limited to consultation with attorney pursuant to Section 551.071, Texas Government Code; and acquisition of property interests pursuant to Section 551.072, Texas Government Code;
6. Reconvene in Open Session and authorize any necessary action resulting from Closed Session;
7. Announcements/Future Agenda Items; and
8. Adjourn



SCHWARTZ, PAGE & HARDING, L.L.P.

By: Matthew R. Reed
Matthew R. Reed
Attorneys for the District

Persons with disabilities who plan to attend this meeting and would like to request auxiliary aids or services are requested to contact the District's attorney at (713) 623-4531 at least three business days prior to the meeting so that appropriate arrangements can be made.

Exhibit A

HARRIS-FORT BEND COUNTIES MUD #1

9/16/2025

For Year Ending SEPTEMBER 30, 2026

Estimated balance @ 9/30/25

6,000,000

3rd DRAFT

	Budget 9/30/25	Actual 11	YTD Budget 12	Projected Rev/Exp 12 months	Budget 9/30/2026	
INCOME:						
WATER REVENUE	485,000	430,246	444,583	469,359	485,000	(8)
SEWER REVENUE	375,000	356,368	343,750	388,765	375,000	(8)
PENALTIES	25,000	16,736	22,917	18,258	25,000	(8)
TAP CONNECTION FEE	30,000	0	27,500	0	30,000	(6)
MAINTENANCE TAX	1,000,000	1,039,000	916,667	1,039,000	805,378	(1) 805.378308
SEWER INSPECTION	3,245	3,345	2,975	3,649	3,245	
INTEREST EARNED	207,000	225,860	189,750	246,393	195,000	(5)
Regional Wtr Assessment Fees	770,000	647,456	705,833	706,315	770,000	(10)
HFBC MUD #5 revenue L/S Billing	25,000	15,909	22,917	17,355	25,000	(8)
COH SPA Tax Receipts	23,000	28,935	21,083	31,565	23,000	
MISCELLANEOUS INCOME	0	0	0	0	0	
Total Income	2,943,245	2,763,855	2,697,975	2,920,660	2,736,623	
EXPENSES:						
Jt.Wtr Plant Expenses	300,000	279,460	275,000	304,866	320,000	(2)
Jt. Sewer Plant Expenses	450,000	358,286	412,500	390,857	450,000	(2)
REPAIR & MAINTENANCE	425,000	566,677	389,583	618,193	650,000	(8)
Meter Relacement Program	3,500	0	3,208	0	3,500	(8)
SECURITY PATROL	320,000	296,232	293,333	323,162	330,000	(6)
TAP CONN/SEWER INSPECTION	20,000	754	18,333	822	10,000	(6)
DIRECTOR FEES	25,000	25,229	22,917	27,523	28,000	
PAYROLL TAXES	700	1,923	642	2,098	2,000	
LEGAL FEES	130,000	137,624	119,167	150,135	135,000	
LEGAL FEES-Annual Disclosure	4,000	2,850	3,667	3,109	4,000	
AUDITING FEES	15,000	14,450	13,750	14,450	15,000	
ENGINEERING FEES	63,000	166,963	57,750	182,142	100,000	(9)
LABORATORY EXPENSE	8,000	0	7,333	0	8,000	(8)
PERMIT FEES	7,500	7,082	6,875	7,725	10,000	
OPERATOR'S FEES	100,000	89,198	91,667	97,307	110,000	(8)
BOOKKEEPING FEES	25,200	24,635	23,100	26,875	27,000	
LEGAL NOTICES/PUBL	0	0	0	0	0	
ELECTION EXPENSES	45,000	0	41,250	0	45,000	(7)
OFFICE EXPENSE/POSTAGE	14,000	14,321	12,833	15,623	15,000	
SECURITY CAMERAS	54,000	60,000	49,500	65,455	72,000	
UTILITIES (including cellular for Meters)	17,000	10,349	15,583	11,290	17,000	
INSURANCE & BONDS	12,000	15,021	11,000	15,021	16,000	
GARBAGE COLLECTION	251,250	255,388	230,313	278,605	280,000	(4)
TRAVEL EXPENSES	5,000	6,140	4,583	6,698	7,000	
N. FL. BEND REG'L WTR PUMPAGE	770,000	694,933	705,833	758,108	770,000	(10)
Mow-Wynndehaven Lakes/Roesner Woods	60,000	30,864	55,000	33,670	60,000	
MISC & CONTINGENCIES*	3,000	3,403	2,750	3,713	3,000	
Website-03/18/25	50,000	20,977	45,833	22,883	50,000	
Total Operating Expense	3,178,150	3,082,759	2,913,304	3,360,330	3,538,300	

MAJOR PROJECTS

	Budget	Actual	YTD Budget	Projected Rev/Exp	BUDGET
JT STP REHAB***	336,800	0	308,733	0	336,800
SIDEWALK REPAIRS***	180,000	0	165,000	0	180,000
STORM SEWER C&TV***	110,000	105,143	100,833	114,701	110,000
MISC	0	0	0	0	0
Total Major Projects Expense	626,800	105,143	574,567	114,701	626,800

SURPLUS (DEFICIT)

(861,705.00) (424,045.78) (789,896.25) (554,370.74) (1,428,477)

Estimated Balance @ 9/30/26 4,571,523 129%

MYRTLE CRUZ, INC.

3401 Louisiana STE 400

Houston, Texas 77002

(713) 759-1368 FAX (713) 759-1264

(1) tax-Need Estimate from Tax Consultant/Financial Advisor.

(2) Budget estimate from WTP/STP Bookkeeper unavailable due to EOY difference
Estimate based on current cost

(4) Garbage rate \$18.62 X estimated 1250 homes (est) as of 07/01/25

(5) Operating balance of \$6.0 Million @ 3.0% (cash,pools,cd's)

(6) Estimate

(7) Election Cost Estimate

(8) Operator estimates

(9) Engineer estimates

(10) NFBWA current rate GPW \$4.55 & \$4.90 as of 07/31/22

(11) \$22,370.00 per mo. to FB constable & \$2,313.09 per mo to HFD#3

Exhibit B

Harris Ft Bend MUD#1 TAXPAYER IMPACT STATEMENT

	Current Budget Fiscal Year Ending Sept 2025**	Proposed Budget Fiscal Year Ending Sept 2026**	No-New-Revenue Tax Rate Budget***
Estimated District Operations and Maintenance Tax Bill on Average Homestead*	\$747.89	\$821.81	\$747.89

*The District levies taxes in accordance with the Texas Water Code. The District's current operations and maintenance tax rate is equal to \$.19 per \$100 of assessed value. Average homestead values are determined by the county appraisal district.

All estimates above were prepared utilizing the average resident homestead value as of the time that the District's most recent Truth in Taxation worksheet was prepared in accordance with the Texas Water Code.

**Average tax bill estimates for the current and proposed budgets reflect those taxes necessary to fund the operations and maintenance tax revenues stated in the applicable budget.

***This column estimates the operations and maintenance taxes to be paid on the average homestead if the proposed budget generates the same amount of operations and maintenance tax revenues as the current budget.