

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 163

September 22, 2026

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 163 (the "District") met in regular session, open to the public, on the 22nd day of September, 2026, 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:

Richard Patrick	President
Jennifer Hundl	Vice President
Andy Zepeda	Secretary
Justin Ring	Assistant Secretary
Omar Cabello	Assistant Vice President

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

Also attending the meeting were: Yaneth Cooper of Municipal Accounts & Consulting, LP; Kristy Schoonover of Tax Tech, Inc.; Adam Cohen of Cedar Creek Municipal Advisors, LLC; Ralph Saldana of Pape-Dawson Engineers, Inc.; Brandon West of Touchstone District Services; and Adisa Harrington and Carnell Emanuel of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no public comments.

MINUTES

The Board considered approving the minutes from the August 25, 2026, meeting. Following review and discussion, Director Cabello moved to approve the minutes, as submitted. Director Zepeda seconded the motion, which passed unanimously.

ARBITRAGE REBATE REPORT FOR THE SERIES 2016 BONDS

Ms. Harrington reviewed the Arbitrage Rebate Report for the Series 2016 Bonds (the "Report"), as prepared by OmniCap. She stated that, according to the Report, OmniCap has determined that no arbitrage rebate or yield reduction payments are due to the Internal Revenue Service.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Cooper reviewed the bookkeeper's report, including the bills submitted for payment. A copy of the bookkeeper's report is attached. Following review and discussion, Director Ring moved to approve the bookkeeper's report and payment of the bills. Director Patrick seconded the motion, which passed unanimously.

Director Hundl arrived to the meeting.

TAX COLLECTION MATTERS

Ms. Schoonover reviewed the monthly tax assessor/collector's report and bills submitted for payment. A copy of the tax assessor/collector's report is attached. Following review and discussion, Director Zepeda moved to approve the tax report and checks presented for payment. Director Patrick seconded the motion, which passed unanimously.

RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2026 TAX YEAR

Ms. Harrington discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. She reviewed the definitions for each of the three categories 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.

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 2026 tax year.

Following review and discussion, Director Ring moved to adopt an Amended Resolution Regarding Development Status for 2026 Tax Year establishing the District as a Developing District for the 2026 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 Hundl seconded the motion, which passed unanimously.

DISCUSS 2026 TAX RATE

The Board considered the District's 2026 tax rate. Mr. Cohen distributed and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2026 water, sewer, and drainage debt service tax rate of \$0.32 per \$100 of assessed valuation and a 2026 road debt service tax rate of \$0.10. A copy of the debt service tax rate analysis is attached.

The Board then discussed the District's operation and maintenance tax rate. Mr. Cohen then discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Patrick moved to: (1) set the public hearing date for October 27, 2026; and (2) authorize the tax assessor/collector to publish notice of the District's meeting on October 27, 2026, to set the proposed 2026 total tax rate of \$0.60 per \$100 of assessed valuation, with \$0.32 allocated for debt service on water, sewer, and drainage bonds, \$0.10 allocated for debt service on road bonds, and \$0.18 allocated for operations and maintenance. Director Hundl seconded the motion, which passed unanimously.

MOWING AND MAINTENANCE OF DISTRICT PROPERTY

Mr. Saldana reviewed the maintenance report prepared by Storm Water Solutions, LLC, a copy of which is attached.

ENGINEERING MATTERS

Mr. Saldana reported on the Sanitary Lift Station and Force Main for the Katy Boardwalk Reserve project. He presented and recommended approval of Pay Estimate Nos. 2 and 3 in the respective amounts of \$215,890.20 and \$1,530.00, both payable to PMG Project Management Group, LLC ("PMG"). Ms. Harrington then requested approval of a Dual Obligate Rider to name the City of Katy as an additional obligee under the bonds for the project.

Mr. Saldana reported on the Water, Sewer, Drainage, and Paving - Phase 1 (Onsite Infrastructure) for the Katy Boardwalk Reserve project. He presented and recommended approval of Pay Estimate No. 3 in the amount of \$738,717.30, payable to R Construction Civil, LLC ("RCC"). Mr. Saldana also reviewed and recommended approval of Change Order No. 3 from RCC to increase the contract in the amount of \$60,737.25. The Board determined that the Change Order is beneficial to the District.

Following review and discussion, and based on the engineer's recommendation and the Board's finding that the Change Order is beneficial to the District, Director Ring moved to approve: (1) Pay Estimate Nos. 2 and 3 from PMG; (2) the Dual Obligate Rider; and (3) Pay Estimate No. 3 and Change Order No. 3 from RCC. Director Cabello seconded the motion, which passed unanimously.

UPDATE ON 46-ACRE ANNEXATION

There was no discussion on this matter.

REPORT ON DEVELOPMENT

Ms. Harrington updated the Board on the status of the First Amendment to Amended and Restated Development Financing Agreement with Pelican Katy Boardwalk, LLC.

WEBSITE MATTERS

Mr. West presented a communication report prepared by Touchstone, a copy of which is attached.

ATTORNEY'S REPORT

There was no discussion on this matter.

REPORTS FROM DIRECTORS AND CONSULTANTS

Director Patrick updated the Board on the upcoming Districts Council meeting.

MEETING SCHEDULE

The Board concurred to tentatively schedule the next meeting for October 27, 2026, at 9:30 a.m. at the offices of ABHR.

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




Secretary, Board of Directors

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