

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 34,
OF FORT BEND COUNTY, TEXAS

Minutes of Meeting of Board of Directors

May 28, 2024

The Board of Directors ("Board") of Fort Bend County Municipal Utility District No. 34, of Fort Bend County, Texas ("District") met at 1300 Post Oak Boulevard, Suite 2500, Houston, Texas 77056, on May 28, 2024, in accordance with the duly posted notice of public meeting, and the roll was called of the duly constituted officers and members of said Board of Directors, as follows:

Billy E. Haehnel	President
James Marken	Vice President
Jose Torres	Secretary
Craig A. Hajovsky	Assistant Secretary
Sean Piper	Assistant Secretary

and all of said persons were present, except Directors Haehnel and Torres, thus constituting a quorum.

Also present were: Caleb Burson of Accurate Meter & Supply, LLC ("AMS"); Taylor Watson of Municipal Accounts & Consulting, L.P. ("MAC"); Kristen Scott of Bob Leared Interests ("BLI"); Jerry Schroeder of Champions Hydro-Lawn, Inc. ("Champions"); Angie Hartwell of Touchstone District Services, LLC ("Touchstone"); Keith Arrant of Municipal Operations & Consulting, Inc. ("MOC"); Jeff Safe of BGE, Inc. ("BGE"); and Kate Henderson and Melanie Walsh of Schwartz, Page & Harding, L.L.P. ("SPH").

In the absence of the Board President, the Vice President called the meeting to order and declared it open for such business as might regularly come before it.

COMMENTS FROM THE PUBLIC

The Board began by opening the meeting for public comments. No comments from the public were presented.

STATUS OF IMPLEMENTATION OF WIRELESS ELECTRONIC WATER METERS

The Board next recognized Mr. Burson, who reported on the status installation of Beacon AMA Polymer E-Series electronic water meters (the "E-Series Meters") throughout the District and the installation of three (3) Ultrasonic Strap On electronic water meters (the "Strap On Meters") at the points of connection between the District and Fort Bend County Municipal Utility District No. 35, of Fort Bend County, Texas ("No. 35"). Mr. Burson stated that installation of the E-Series Meters is complete and advised the Board that Accurate expects the Strap On Meters to be installed sometime within the next two weeks. He then requested that the Board authorize payment of an invoice submitted by Accurate in the total amount of \$519,880 for the cost of the E-Series Meters only, noting that a final invoice will follow once installation of the Strap On Meters is complete. Mr. Burson then responded to various questions from the Board.

Mr. Burson left the meeting at this time.

ACCEPTANCE OF QUALIFICATION STATEMENTS, BONDS, OATHS OF OFFICE, AFFIDAVITS OF CURRENT DIRECTORS, AND ELECTIONS NOT TO DISCLOSE

In connection with his election as a Director of the District, the Statement of Elected Officer, Oath of Office and Affidavit of Current Director (collectively, "Qualification Documents") were presented for Director Piper. Ms. Henderson then noted that Director Piper has executed and delivered an Election Not to Disclose Certain Information. She stated that, pursuant to Section 552.024 of the Texas Government Code, as amended, directors may elect to withhold public access to certain personal information in the custody of the District. Said Director's Official Bond was then presented to the Board and the Board found said Bond to be in proper form. After discussion on the matter, it was moved by Director Hajovsky, seconded by Director Marken and unanimously carried, that the Board accept said Statement of Elected Officer, Oath of Office, Affidavit of Current Director and Election Not to Disclose Certain Information, approve said Bond and declare Director Piper to be a duly elected and qualified Director of the District.

ELECTION OF OFFICERS

The Board deferred consideration of the election of officers of the Board until its next meeting.

DISTRICT REGISTRATION FORM

The Board considered approving an updated District Registration Form (the "Form"). Ms. Henderson explained that the updated Form would be filed with the Texas Commission on Environmental Quality ("TCEQ") to record Directors Haehnel and Pipers' new terms of office in accordance with applicable law. Director Hajovsky moved that SPH be authorized to prepare and submit the updated Form to the TCEQ. Director Marken seconded said motion, which unanimously carried.

LOCAL GOVERNMENT OFFICERS LIST

Ms. Henderson reminded the Board that, pursuant to Chapter 176 of the Texas Local Government Code, the District is required to and does maintain a list of Local Government Officers, which includes the members of the Board and the District's Investment Officers, in connection with conflict of interest disclosure requirements. After discussion on the matter, Director Piper moved that SPH be authorized to update the District's list of Local Government Officers as appropriate and required by law. Director Marken seconded said motion, which unanimously carried.

APPROVE MINUTES

The Board considered approval of the minutes of its meeting held on April 23, 2024. After discussion, Director Marken moved that the minutes for said meetings be approved, as written. Director Piper seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

The Board next considered the Bookkeeper's Report. In connection therewith, Mr. Watson presented to and reviewed with the Board the Bookkeeper's Report dated May 28, 2024, a copy of which is attached hereto as **Exhibit A**. After discussion, Director Piper moved that the Bookkeeper's Report be approved and that the disbursements identified therein be approved for payment, including additional check no. 10905 payable to Accurate Utility Supply, LLC in the amount of \$519,880, as discussed above, and except for check nos. 10881 and 10884, which were voided. Director Hajovsky seconded said motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Scott next presented to and reviewed with the Board the Tax Assessor-Collector's Report prepared by BLI dated April 30, 2024, a copy of which is attached hereto as **Exhibit B**. After discussion, Director Hajovsky moved that the Tax Assessor-Collector Report be approved and the disbursements identified therein be approved for payment. Director Piper seconded said motion, which unanimously carried.

UNCLAIMED PROPERTY REPORT

The Board considered approval of an Unclaimed Property Reports as of March 1, 2024, and authorization for MAC and/or BLI to file same with the Comptroller of Public Accounts of the State of Texas (the "Comptroller") prior to July 1, 2024. In connection therewith, Mr. Watson presented to and reviewed with the Board an Unclaimed Property Report dated May 28, 2024, relative to the District's operating funds, a copy of which is attached hereto as **Exhibit C**, advising that the District has \$540.74 to escheat to the Comptroller. Ms. Scott then reported that BLI researched the District's tax funds and determined that the District has no unclaimed tax funds for the applicable reporting period to escheat to the Comptroller. After discussion, Director Hajovsky moved that said Report prepared by MAC be approved and that MAC be authorized to file said Report with the Comptroller prior to July 1, 2024. Director Piper seconded said motion, which unanimously carried.

DELINQUENT TAX REPORT

Ms. Henderson reported that a Delinquent Tax Report was not received this month from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., the District's delinquent tax collections attorneys. She stated that the next quarterly report will be provided in July.

DETENTION AND DRAINAGE FACILITIES REPORT ("D&D REPORT")

Mr. Schroeder next presented to and reviewed with the Board a D&D Report dated May 28, 2024, prepared by Champions for Little Prong Creek and corresponding photographs, a copy of which is attached hereto as **Exhibit D**. With regard to the proposed repair and/or rehabilitation of the storm outfall pipe located at Long Meadow Pond (the "Long Meadow Pond Project"), Mr. Schroeder presented to and reviewed with the Board a proposal prepared by Champions in the estimated total amount of \$5,970 for Phase I of the Long Meadow Pond Project, a copy of which is included with **Exhibit D**, to prepare Long Meadow Pond for investigation by BGE of the silt build up. After discussion, Director Hajovsky moved that the Board approve Champion's proposal for Phase I of the Long Meadow Pond Project. Director Piper seconded the motion, which unanimously carried.

STORMWATER MANAGEMENT PROGRAM

The Board next considered the status of the District's SWMP. Ms. Henderson noted that there were no updates at this time.

DISTRICT WEBSITE AND MASS NOTIFICATION MESSAGING MATTERS

Ms. Hartwell next presented to and reviewed with the Board a Monthly Communications Report prepared by Touchstone dated May 28, 2024, a copy of which is attached hereto as **Exhibit E**, regarding the status of the District's website and customer messaging system. After discussion, it was moved by Director Hajovsky, seconded by Director Marken and unanimously carried, that (i) Touchstone be authorized to post an article providing information and recommendations relative to hurricane preparedness, and (ii) MOC be authorized to provide Touchstone with updated contact information for District customers.

Ms. Hartwell then requested that an item be added to the agenda for next month's meeting for the Board to consider a proposal from Touchstone for creation of content related to the District's new electronic water meters for inclusion on the District's website. After discussion, Board indicated its approval of Ms. Hartwell's request.

RECEIVE FORT BEND COUNTY CONSTABLE'S OFFICE, PRECINCT 1 ("FBCCO") ACTIVITY REPORTS

Ms. Henderson presented to the Board a Monthly Contract Deputy Report for the month of April 2024 from the FBCCO (the "FBCCO Report"), a copy of which is attached hereto as **Exhibit F**. It was noted that no action was required by the Board in connection with the FBCCO Report at this time.

OPERATIONS AND MAINTENANCE REPORT

Mr. Arrant presented to and reviewed with the Board the Monthly Operations Report ("O&M Report"), a copy of which is attached hereto as **Exhibit G**, for April 2024 prepared by MOC. In connection therewith, he reported that the District had 98% water accountability for the reporting period. With regard to Phase 2 of 5 (Schedule B) of the District's 5-year annual sanitary sewer televising program, Mr. Arrant presented a summary of the findings, a copy of which is included with **Exhibit G**, and reported that the survey detected a few minor point repairs to be addressed but that there are no major issues requiring attention. Mr. Arrant next reported that the smoke testing recently conducted at the District's Wastewater Treatment Plant ("WWTP"), as previously authorized by the Board, did not identify any reason for the WWTP to be operating near the limit of its permitted capacity. He advised the Board that MOC will continue to investigate the matter. Mr. Arrant then presented one (1) delinquent account in the total amount of \$81.83 to be moved to the uncollectible roll. After discussion, it was duly moved by Director Piper, seconded by Director Hajovsky and unanimously carried, that MOC be authorized to move one (1) account in the amount of \$81.83 to the uncollectible roll, as reflected in the O&M Report.

Mr. Arrant next advised the Board that the District is in receipt of a request from the Grand Fountains Apartments (the "Apartments"), located at 23702 FM 1093, for waiver of late fees assessed to the Apartments' account in the amount of \$854.19 due to payment issues related

to a recent software transition. Upon discussion, the Board deferred action on the matter and requested that MOC investigate how the Board has previously responded to similar requests.

CONSUMER CONFIDENCE REPORT

Mr. Arrant next presented to and reviewed with the Board a copy of the draft Consumer Confidence Report ("CCR") prepared by MOC, a copy of which is attached hereto as **Exhibit H**, which has been submitted to SPH for review and approval to ensure that it is in compliance with all applicable regulatory requirements. Mr. Arrant reminded the Board that, in previous years, it has opted to authorize MOC to make the CCR available to District customers electronically in lieu of a mass mailing, in accordance with 40 CFR 141.155(a). After discussion, it was moved by Director Hajovsky that the CCR be approved, subject to SPH final approval, that the final CCR be posted on the District's website, and that MOC be authorized to include a notice on customers' water bills providing a direct URL link to the District's CCR on the MOC website. Director Piper seconded said motion, which unanimously carried.

ENGINEER'S REPORT

Mr. Safe presented to and reviewed with the Board a written Engineer's Report dated May 28, 2024, a copy of which is attached hereto as **Exhibit I**, relative to the status of various engineering and construction projects within the District, and discussed the matters contained therein.

With regard to the proposed repair of a noted area of erosion on the north and south sides of Little Prong Creek on either side of the overpass located at Gaston Road (the "Gaston Road Slope Repair Project"), Mr. Safe advised the Board that, in addition to Champions' previously submitted bid, BGE obtained bids from Storm Water Solutions and Delta West Environmental, as detailed in the Engineer's Report. Mr. Safe recommended that the Board award the Slope Repair Project to Champions, the second lowest bidder, due to Champions' quality of work and Champions' familiarity with the District and its drainage facilities.

Mr. Safe next presented to and reviewed with the Board correspondence received from Double Oak Erosion ("Double Oak") dated May 28, 2024, a copy of which is included with **Exhibit I**, regarding the proposed installation of rip rap on the bottom of Little Prong Creek at Fry Road to fill a void on the upstream side of the slope paving in order to address the suspected underlying reason for the repeated failure of the SOX erosion repair system at the site. Mr. Safe noted that Double Oak is offering to install the rip rap at no additional cost to the District and in return is requesting that it be removed from future maintenance claims upon repair of the deteriorated portion of the bank utilizing the SOX system. Following discussion, the Board deferred action on the matter and requested that BGE obtain a quote for the proposed installation of rip rap at the site before discussing the matter further.

After discussion, it was moved by Director Hajovsky that the Engineer's Report and all action items listed therein be approved, including: (i) approval of Champions' proposal for the Gaston Road Slope Repair Project in the estimated total amount of \$60,735.75; (ii) approval of Pay Request No. 6 from McDonald Municipal and Industrial in the amount of \$25,372.80 in connection with the contract for Installation of Emergency Generator at District's Remote Water Well Site; (iii) authorization for BGE to update the District's Capital Improvement Plan; and (iv) approval of BGE's proposals to perform condition assessments, copies of which are included

with **Exhibit I**, at (a) WWTP No. 1 for the estimated total cost of \$25,000, and (b) WWTP No. 2 for the estimated total cost of \$17,500. Director Marken seconded said motion, which unanimously carried.

UTILITY COMMITMENT REQUESTS

The Board deferred consideration of requests for Utility Commitments after noting that no new requests were received.

AMENDMENT TO LETTER AGREEMENT WITH HICKORY CREEK HOMEOWNERS ASSOCIATION ("HICKORY CREEK")

In connection with the Letter Agreement with Hickory Creek relative to funding of the agreement with Flock Group, Inc. (the "Flock Agreement") in connection with the license plate cameras within the District (the "Security Camera System"), Ms. Henderson presented to and reviewed with the Board a copy of correspondence directed to Hickory Creek on behalf of the Board and the District on April 24, 2024, offering to assume the Flock Agreement together with Flock Group, Inc.'s form of Assignment, as previously authorized by the Board. She advised the Board that a response has not yet been received. A copy of said correspondence is attached hereto as **Exhibit J**

RATIFY ENGAGEMENT OF ARBITRAGE COMPLIANCE SPECIALISTS, INC. TO PREPARE ARBITRAGE REBATE REPORT

The Board considered ratification of its prior action at last month's meeting relative to the approval of an engagement letter for arbitration rebate services from Arbitrage Compliance Specialists, Inc. ("ACS"). After discussion, Director Hajovsky moved that the Board's prior action to approve the engagement letter from ACS for arbitration rebate services as set forth in the engagement letter be ratified in all respects. Director Marken seconded the motion, which carried unanimously.

ATTORNEY'S REPORT

The Board considered the Attorney's Report. In connection therewith, Ms. Henderson presented to and reviewed with the Board a Memorandum prepared by SPH, a copy of which is attached hereto as **Exhibit K**, regarding the use of social media by public officials. With regard thereto, Ms. Henderson advised the Board that directors should exercise caution when posting about District-related matters on their personal social media pages in light of recent U.S. Supreme Court case law, as further discussed in the Memorandum.

Ms. Henderson next advised the Board that, pursuant to discussions at last month's meeting, the Board meetings scheduled for November 26, 2024, and December 24, 2024, have been cancelled and a special Board meeting has been scheduled for December 12, 2024.

CLOSED SESSION

The Board determined that it would not be necessary to meet in Closed Session at this time.

FUTURE AGENDA ITEMS

The Board considered items to be placed on future agendas. No other specific agenda items other than routine and ongoing matters, or those discussed above, were requested.

ADJOURNMENT OF MEETING

There being no further business to come before the Board, Director Piper moved that the meeting be adjourned. Director Hajovsky seconded said motion, which unanimously carried.

(SEAL)




Secretary, Board of Directors

TABLE OF EXHIBITS

May 28, 2024

- Exhibit A: Bookkeeper's Report
- Exhibit B: Tax Assessor-Collector Report
- Exhibit C: Unclaimed Property Report
- Exhibit D: Detention and Drainage Facilities Report; Champions proposal for Long Meadow Pond – Phase I
- Exhibit E: Communications Report
- Exhibit F: FBCCO Report
- Exhibit G: Monthly Operations Report
- Exhibit H: Draft Consumer Confidence Report
- Exhibit I: Engineer's Report
- Exhibit J: Correspondence to Hickory Creek regarding proposed assignment of the Flock Agreement to the District
- Exhibit K: Memorandum regarding Use of Social Media by Public Officials