

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

Minutes of Meeting of Board of Directors

September 24, 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 September 24, 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 Director Marken, thus constituting a quorum. Director Marken entered the meeting after it had been called to order, as noted herein.

Also present were: Taylor Watson of Municipal Accounts & Consulting, L.P. ("MAC"); Kristen Scott of Bob Leared Interests ("BLI"); Kim Cosco of Champions Hydro-Lawn, Inc. ("Champions"); Brandon West of Touchstone District Services, LLC ("Touchstone"); Keith Arrant of Municipal Operations & Consulting, Inc. ("MOC"); Jeff Safe of BGE, Inc. ("BGE"); Wendy Ramirez of Forvis Mazars LLP ("Forvis Mazars"); Justin Klump and David Valdez of Storm Water Solutions, LLC ("SWS"); and Kate Henderson and Sabrina Ernst of Schwartz, Page & Harding, L.L.P. ("SPH").

The 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.

APPROVE MINUTES

The Board considered approval of the minutes of its meeting held on August 27, 2024. After discussion, Director Torres moved that the minutes for said meetings be approved, as written. Director Piper seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT; BUDGETS FOR FISCAL YEAR ENDING SEPTEMBER 30, 2025

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 September 24, 2024, a copy of which is attached hereto as **Exhibit A**.

Mr. Watson next presented to and reviewed with the Board proposed budgets for the

District's fiscal year ending September 30, 2025, regarding the District's general operating, joint sewer treatment plant, and joint water plant accounts, copies of which are attached hereto as **Exhibit B**. After discussion, Director Piper moved that: (i) the Bookkeeper's Report be approved and that the disbursements identified therein be approved for payment, and (ii) the proposed budgets for the District's fiscal year ending September 30, 2025, regarding the District's general operating, joint sewage treatment plant, and joint water plant accounts be adopted. Director Torres seconded said motion, which carried unanimously. The Board requested MAC hold check no. 11034 payable to Accurate Utility Supply, LLC ("AUS") in the amount of \$3,100.00 pending confirmation from MOC that AUS accurately charged the District.

Director Marken entered the meeting at this time.

ENGAGEMENT OF AUDITOR

The Board considered the engagement of an auditing firm to prepare the District's audit report for the fiscal year ending September 30, 2024. In connection therewith, Ms. Ramirez presented to and reviewed with the Board a proposed engagement letter with Forvis Mazars for the audit of the District's financial statements, a copy of which is attached hereto as **Exhibit C**. She stated that the estimated cost to prepare the audit report is (i) \$22,900 for the District, (ii) \$2,800 for the Joint Water Plant, (iii) \$2,800 for the Joint Wastewater Treatment Plant, plus (iv) an administrative fee of \$1,100 to cover items such as report production, copies, postage and other delivery charges, and technology related expenses. After discussion on the matter, Director Hajovsky moved that (i) Forvis Mazars be engaged to prepare the District's audit report for the fiscal year ending September 30, 2024, in accordance with the terms of the engagement letter attached hereto as **Exhibit C**, (ii) the President be authorized to execute same on behalf of the Board and District, and (iii) the Texas Ethics Commission ("TEC") Form 1295 from Forvis Mazars be accepted. Director Marken 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 August 31, 2024, a copy of which is attached hereto as **Exhibit D**. 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.

PUBLIC HEARING REGARDING ADOPTION OF THE DISTRICT'S 2024 TAX RATE

The Board next conducted a hearing regarding the imposition of a proposed debt service tax rate and a maintenance tax rate for 2024. After noting that no taxpayer testimony was offered, the hearing was closed by concurrence of the Board.

CONSIDER LEVY OF THE DISTRICT'S 2024 TAX RATE

The Board then discussed the levying of the 2024 tax rate. Ms. Scott confirmed that notice had been published in *The Katy Times* newspaper, a copy of which notice is attached hereto as **Exhibit E**, in accordance with all legal requirements and as directed at the previous meeting. After discussion on the matter, Director Marken moved that: (i) the Board adopt the tax rate as proposed at the District's August 27, 2024, meeting and as reflected in the notice, being a 2024 debt service tax rate of \$0.22 per \$100 of assessed valuation and a 2024 maintenance tax rate of \$0.33 per \$100

of assessed valuation, resulting in a total 2024 tax rate of \$0.55 per \$100 of assessed valuation, (ii) the Order Levying Taxes attached hereto as **Exhibit F** be adopted in connection therewith, and (iii) the President be authorized to execute and the Secretary to attest same on behalf of the Board and the District. Director Piper seconded said motion, which carried unanimously.

AMENDMENT TO DISTRICT INFORMATION FORM

Ms. Henderson presented to and discussed with the Board an Amendment to the Second Amended and Restated District Information Form ("Amended DIF") relative to the District's 2024 tax rate. After discussion regarding the amendment to the Amended DIF, Director Hajovsky moved that (i) the Amended DIF be approved, and (ii) the Board members present be authorized to execute same on behalf of the Board and the District. Director Piper seconded said motion, which carried unanimously.

DELINQUENT TAX REPORT

Ms. Henderson reported that there was no Delinquent Tax Report 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 October.

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

Mr. Cosco next presented to and reviewed with the Board a D&D Report dated September 24, 2024, prepared by Champions Hydro-Lawn, Inc., for Little Prong Creek ("LPC") and corresponding photographs, a copy of which is attached hereto as **Exhibit G**. Following discussion, the Board noted that no action was necessary at this time.

STORMWATER MANAGEMENT PROGRAM ("SWMP")

The Board next considered the status of the District's SWMP. Mr. Klump presented to and reviewed with the Board a handout, attached hereto as **Exhibit H**, detailing the District's proposed public training measures and permit goals for Year 5 Extension of the District's SWMP in connection with the District's TPDES Phase II MS4 General Permit (the "General Permit").

Mr. Klump next discussed the renewal of the General Permit and permitting obligations under same. In connection therewith, Mr. Klump presented to and reviewed with the Board a proposal from SWS for professional services to assist the District in obtaining permit coverage under the General Permit, including development of an updated storm water management plan and implementation of same. A copy of such proposal is attached hereto as **Exhibit H**. Following discussion, Director Hajovsky moved to approve the proposal for professional services to assist the District in obtaining permit coverage under the General Permit, including development of an updated storm water management plan and implementation of same. Director Piper seconded said motion, which unanimously carried.

DISTRICT WEBSITE AND MASS NOTIFICATION MESSAGING MATTERS

Mr. West next presented to and reviewed with the Board a Monthly Communications Report prepared by Touchstone dated September 24, 2024, a copy of which is attached hereto as **Exhibit I**, regarding the status of the District's website and customer messaging system. No action was taken by the Board at this time.

**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 August, 2024 from the FBCCO (the "FBCCO Report"), a copy of which is attached hereto as **Exhibit J**. It was noted that no action was required by the Board in connection with the FBCCO Report at this time.

**APPROVAL OF AGREEMENT FOR ADDITIONAL LAW ENFORCEMENT SERVICES
BETWEEN FORT BEND COUNTY AND SEVEN MEADOWS COMMUNITY
ASSOCIATION, INC. (THE "INTERLOCAL AGREEMENT")**

The Board deferred consideration of the Interlocal Agreement pending receipt of same from Fort Bend County. Ms. Henderson noted that the term for the Interlocal Agreement will commence in October and conclude through September 30, 2025. After discussion, the Board concurred (i) for MAC to hold check no. 11031 payable to Seven Meadows Community Association ("Seven Meadows") until receipt of the Interlocal Agreement and (ii) for Director Haehnel to contact Seven Meadows to attend a Board meeting to discuss the Interlocal Agreement.

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 K**, for August 2024 prepared by MOC. Mr. Arrant then presented one (1) delinquent account in the amount of \$92.74 to be moved to the uncollectible roll. Mr. Arrant next presented to and reviewed with the Board a proposal from Hydro Clear Services ("Hydro Clear") in the amount of \$41,710.70 and a proposal from Magna Flow Environmental ("Magna Flow") in the amount of \$42,990.50 to perform Phase 3 of 5 of District's 5-year annual sanitary sewer televising program, copies of which are attached hereto as **Exhibit L**. Mr. Arrant noted that Hydro Clear's proposal includes manhole inspection and advised that MOC recommends that the Board accept Hydro Clear's proposal. After discussion, it was duly moved by Director Marken, seconded by Director Hajovsky and unanimously carried, that (i) MOC be authorized to move one (1) account in the amount of \$92.74 to the uncollectible roll, as recommended by MOC, and (ii) the Board accept Hydro Clear's proposal for the sanitary sewer televising project, as recommended by MOC.

With regard to the District's joint Fall Community event to be conducted in cooperation with Fort Bend County Municipal Utility District No. 35 ("No. 35") on October 12, 2024, Mr. Arrant advised the Board that MOC will coordinate with Touchstone to post same to the District's website announcing the details of the event and to send out a text notification relative to same.

ENGINEER'S REPORT

Mr. Safe presented to and reviewed with the Board a written Engineer's Report dated September 24, 2024, a copy of which is attached hereto as **Exhibit M**, relative to the status of various engineering and construction projects within the District, and discussed the matters contained therein. Mr. Safe then advised that Double Oak Erosion has completed the repair of the portion of SOX at Little Prong Creek, and that Double Oak Erosion will submit an invoice to the District for the rip rap installation in connection with said repair.

Mr. Safe next presented to and reviewed with the Board a draft ten (10) year Capital Improvement Plan ("CIP"), a copy of which is attached hereto as **Exhibit N**, and advised the Board that the CIP will be updated for next month's Board meeting to include projects from the condition assessments of Wastewater Treatment Plant Nos. 1 and 2.

After discussion, it was moved by Director Hajovsky that the Engineer's Report and all action items listed therein be approved, including Pay Estimate No. 7 from McDonald Municipal and Industrial in the amount of \$27,000.00 in connection with the installation of an emergency generator at the District's Remote Water Well site. Director Marken seconded said motion, which unanimously carried.

EPA LEAD AND COPPER RULE REVISION REQUIRED SERVICE LINE INVENTORY STATEMENT

Mr. Safe advised the Board that the District has no lead service lines or galvanized service lines requiring replacement, and that the lead and copper inventory prepared by BGE has been finalized and will be submitted to the Texas Commission on Environmental Quality. The District reached this determination because the District has found no evidence of the use of lead service lines (i) in the system records, including distribution system maps and drawings, historical records, meter installation records, inspections and records of the distribution system that indicate the material composition, or (ii) when reading water meters or performing maintenance activities in the course of normal system operations. The Board then concurred to include such language on the District's website to satisfy the public accessibility requirement until the minutes from this Board meeting are made available on same.

UTILITY COMMITMENT REQUESTS

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

ASSIGNMENT BY HICKORY CREEK OF THE FLOCK GROUP, INC. SERVICES AGREEMENT TO THE DISTRICT

Ms. Henderson reported that the District received the executed Assignment from Hickory Creek Homeowners Association ("Hickory Creek") to assign to the District the Flock Group, Inc. ("Flock") Services Agreement relative to the license plate cameras within the District (the "Flock Agreement"). She advised that she will send the Assignment to Flock for execution and request a new Flock Agreement for the District.

ATTORNEY'S REPORT

The Board considered the Attorney's Report. In that regard, Ms. Henderson advised the Board that she had nothing additional to discuss with the Board of a legal nature which was not already covered under previous specific agenda items.

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.




Assistant Secretary, Board of Directors

TABLE OF EXHIBITS

September 24, 2024

- Exhibit A: Bookkeeper's Report
- Exhibit B: Annual Budgets – Fiscal Year Ending September 30, 2025
- Exhibit C: Engagement Letter with Forvis Mazars, LLP
- Exhibit D: Tax Assessor-Collector Report
- Exhibit E: Notice of Public Hearing of Tax Rate
- Exhibit F: Order Levying Taxes
- Exhibit G: Detention and Drainage Facilities Report
- Exhibit H: Stormwater Management Program Report
- Exhibit I: Communications Report
- Exhibit J: FBCCO Report
- Exhibit K: Monthly Operations Report
- Exhibit L: Hydro Clear Services and Magna Flow Environmental Cost Estimates
- Exhibit M: Engineer's Report
- Exhibit N: Draft Capital Improvement Plan