

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 35,
OF FORT BEND COUNTY, TEXAS

Minutes of Meeting of Board of Directors

November 3, 2021

The Board of Directors ("Board") of Fort Bend County Municipal Utility District No. 35, of Fort Bend County, Texas ("District"), met on November 3, 2021, at 1300 Post Oak Boulevard, Suite 1400, Houston, Harris County, Texas 77056, 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, as follows:

Piero Battistini, President
Sergio Handal, Vice President
Steven Olsen, Secretary
Tony Feng, Assistant Secretary
Susan Ruske, Assistant Secretary

all of whom announced they were present, thus constituting a quorum.

Also present were: Matt Haire of Principal Management Group of Houston ("PMI"), Community Manager for Seven Meadows Community Association, Inc. ("Seven Meadows"); Esther Flores of Tax Tech, Inc. ("Tax Tech"); Taylor Watson of Municipal Accounts & Consulting, L.P. ("MAC"); Jeff Safe of Brown & Gay Engineers, Inc. ("BGE"); Jerry Schroeder of Champions Hydro-Lawn, Inc. ("Champions"); Katie May and Robert Lugo of Inframark ("Inframark"); and Bryan Yeates and Melanie Walsh of Schwartz, Page & Harding, L.L.P. ("SPH").

COMMENTS FROM THE PUBLIC

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

APPROVAL OF MINUTES

As the next order of business, the Board considered approval of the minutes of its meeting held on October 6, 2021. After discussion, Director Olsen moved that the minutes for said meetings be approved, as written. Director Ruske seconded said motion, which unanimously carried.

FBCCO ACTIVITY REPORT

Mr. Haire next presented to and reviewed with the Board the FBCCO Activity Report for the month of September 2021, a copy of which is attached hereto as **Exhibit A**. The Board noted that no action on its part was required in connection with said report at this time.

INTERLOCAL AGREEMENT FOR ADDITIONAL LAW ENFORCEMENT SERVICES

Mr. Haire next reported that the proposed renewal of the Interlocal Agreement for Law

Enforcement Services by and between the District, Fort Bend County (the "County"), Seven Meadows, and Fort Bend County Municipal Utility District No. 34, of Fort Bend County, Texas ("No. 34") for the 2021 – 2022 term (the "Agreement") is still being prepared by the County. He reminded the Board that the FBCCO will continue to provide law enforcement services on a month to month basis, per the terms of the previous Agreement.

STATUS OF CONVERSION TO LED BULBS AND PAINTING OF THE DECORATIVE LIGHT POLES IN THE COMMUNITY BY CENTERPOINT ENERGY

The Board considered the status of conversion to LED bulbs and painting of the decorative light poles in the community by CenterPoint Energy ("CenterPoint"). In that regard, Director Ruske reminded the Board that CenterPoint will not begin work on the project until sometime after January 1, 2022.

PROPOSAL FOR WILDFLOWER SEEDING

The Board deferred consideration of a proposal for application of wildflower seeds to certain recreational areas within the District, noting that no such proposal has yet been received. In connection therewith, Mr. Schroeder reported that Champions recently met with Seven Meadows to discuss the scope of work for the project and advised that Champions is currently working on a proposal for same.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Flores presented to and reviewed with the Board the Tax Assessor-Collector Report for the month ending October 31, 2021, a copy of which is attached hereto as **Exhibit B**. After discussion, it was moved by Director Handal, seconded by Director Battistini and unanimously carried, that the Tax Assessor-Collector Report be approved as presented, and that the disbursements identified therein be approved for payment.

DELINQUENT TAX REPORT

Mr. Yeates 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. He stated that the next quarterly report will be provided in January.

BOOKKEEPER'S REPORT

Mr. Watson presented to and reviewed with the Board the Bookkeeper's Report dated November 3, 2021, a copy of which is attached hereto as **Exhibit C**. After discussion, Director Ruske moved that the Bookkeeper's Report be approved and that the disbursements identified therein be approved for payment. Director Handal seconded said motion, which unanimously carried.

COMPLIANCE WITH TEXAS GOVERNMENT CODE CHAPTER 2265 RELATIVE TO ENERGY REPORTING

The Board next considered the status of the District's compliance with Texas Government Code, Chapter 2265, relative to energy reporting requirements. Mr. Yeates reminded the Board that, pursuant to the energy efficiency and reporting requirements set forth in Texas Government

Code, Chapter 2265, the District must prepare an annual report of its metered usage of electricity and the aggregate costs for same. In connection therewith, Mr. Watson presented to and reviewed with the Board a Cost and Usage Report, a copy of which is attached to the Bookkeeper's Report. He noted that said report satisfies the statutory reporting requirements. After discussion, Director Handal moved that Apollo be authorized to place said report on the District's website. Director Olsen seconded the motion, which unanimously carried.

ENGINEER'S REPORT

Mr. Safe presented to and reviewed with the Board a written Engineer's Report, dated November 3, 2021, a copy of which is attached hereto as **Exhibit D**, relative to the status of various engineering and construction projects within the District, and discussed the matters contained therein. In connection with the proposed purchase and installation of a permanent emergency diesel generator at the joint Remote Well site, Mr. Safe reported that, at its last meeting, No. 34 approved participation in The Interlocal Purchasing System program in order to realize savings and economies of scale by cooperatively procuring materials, supplies, goods, services, or equipment. Following discussion, it was noted that no action was required by the Board in connection with the Engineer's Report at this time.

CHAMPIONS HYDRO-LAWN, INC. ("CHAMPIONS") MAINTENANCE OPERATIONS AT LITTLE PRONG CREEK

Mr. Schroeder next presented to and reviewed with the Board a Detention and Drainage Facilities Report ("D&D Report") dated November 3, 2021, prepared by Champions, for Little Prong Creek and corresponding photographs, a copy of which is attached hereto as **Exhibit E**. With regard to the status of Little Prong Creek Slope Repairs – Areas "A" and "B", Mr. Schroeder reported that Champions has completed all work on both projects. After discussion, the Board requested that Champions prepare a proposal for slope repairs relative to an area of erosion located near the golf cart crossing on Little Prong Creek for consideration at its next meeting. The Board noted that no action was required on its part in connection with the D&D Report at this time.

Director Ruske exited the meeting during the above discussion.

STORMWATER MANAGEMENT PROGRAM ("SWMP")

The Board considered the status of the District's SWMP. Mr. Yeates advised the Board that there were no updates regarding the District's SWMP at this time.

OPERATIONS REPORT

Mr. Lugo presented to and reviewed with the Board the Operations and Maintenance Report ("O&M Report") for the month of September 2021, a copy of which is attached hereto as **Exhibit F**. Mr. Lugo reported to the Board that the District had approximately 94% water accountability for the reporting period, discussed repairs made throughout the District, and reviewed with the Board an inspection report from LIT, relative to the District's park facilities, a copy of which is attached to the O&M Report.

Mr. Lugo next presented a list of one (1) delinquent account, a copy of which is included with the O&M Report, to be referred to collections in the total amount of \$0.13.

With regard to the status of maintenance of the District's park facilities, Mr. Lugo reported that the pet waste stations at the District Dog Park have been replaced, as previously authorized by the Board, and requested authorization to replace three (3) pet waste stations at the Family Park for a total estimated cost of \$3,085.13. After discussion, the Board declined the proposal and requested that LIT repair the existing pet waste stations at the Family Park instead of having them replaced. Mr. Lugo next reported that replacement of the playground mulch at the District's Family Park site has been completed. In connection with the proposed repair and/or rehabilitation of the District's Dog Park and Family Park sites, Mr. Lugo presented to and reviewed with the Board a chart, a copy of which is included in the O&M Report, comparing the proposals prepared by LIT, dated August 6, 2021 and November 2, 2021, copies of which are included with the O&M Report, and Champions' proposals, which were previously presented to the Board at its meeting on October 6, 2021.

Director Ruske reentered the meeting at this time.

After discussion, Director Olsen moved that the Board authorize Inframark to (i) refer one (1) delinquent account to collections, and (ii) accept LIT's proposals for repair and/or rehabilitation of the District's Dog Park and Family Park sites in the estimated total amounts of \$7,014.60 and \$5,385.44, respectively. Director Handal seconded said motion, which unanimously carried.

NORTH FORT BEND WATER AUTHORITY ("NFBWA") LARRY'S TOOLBOX PROGRAM 2021 REPORT AND 2022 ENROLLMENT

Mr. Lugo next discussed with the Board the status of the District's participation in the 2021 Larry's Toolbox Program (the "2021 Program"). He stated that the District has acquired 3 of the 9 points necessary to qualify for the 2021 Program and advised that he expects the District to obtain the final 6 points required prior to the December 31, 2021 deadline. With regard to the District's participation in the 2022 Larry's Toolbox Program (the "2022 Program"), Mr. Lugo reported that Inframark is working to prepare the District's enrollment form for the 2022 Program, and advised the Board that he will present Inframark's 2022 Program recommendations for review at the Board of Directors meeting in December.

AMENDMENT OF THE DISTRICT'S RATE ORDER

The Board next considered an amendment to the District's Rate Order to account for the increase in NFBWA fees for groundwater pumpage and surface water. After discussion, Director Battistini moved that: (i) the District's Rate Order be amended to increase the NFBWA Surface Water Fee from \$4.60 per 1,000 gallons of water received to \$4.90 per 1,000 gallons of water received effective January 1, 2022; (ii) any and all Rate Orders heretofore adopted be revoked; and (iii) the Rate Order, a copy of which is attached hereto as **Exhibit G**, be passed and adopted. Director Handal seconded, said motion, which unanimously carried.

STATUS OF DISTRICT WEBSITE AND IMPLEMENTATION OF MASS NOTIFICATION SYSTEM

The Board next considered the continued operation of the District's website and the status of implementation of a mass notification system within the District. In connection therewith, Mr. Yeates presented an Analytics Report prepared by Apollo for the month of October 2021, a

copy of which is attached hereto as **Exhibit H**, detailing trends in traffic to the District's website and the status of implementation of the District's customer messaging system.

EMINENT DOMAIN REPORT

Mr. Yeates reported that, pursuant to Section 2206.154, Texas Government Code, all political subdivisions with the power of eminent domain, including the District, are required to file an annual eminent domain report by February 1 of each year with the Texas Comptroller of Public Accounts (the "Comptroller"). He explained that the report will contain the District's contact information as well as information related to the District's ability to exercise the power of eminent domain. After discussion, it was moved by Director Olsen, seconded by Director Ruske and unanimously carried, that the Board authorize SPH to file the annual eminent domain report with the Comptroller on behalf of the District.

ATTORNEY'S REPORT

The Board considered the Attorney's Report. Mr. Yeates advised the Board that the District's Financial Advisor, Masterson Advisors, LLC ("Masterson"), had provided SPH, on behalf of the District, with Masterson's MSRB Rule G-10 Annual Disclosure.

APPROVAL OF EMERGENCY RESPONSE PLAN

Mr. Safe next addressed the Board regarding the America's Water Infrastructure Act of 2018 (the "AWIA"), as discussed at previous meetings. He advised that certification of completion of the District's Emergency Response Plan ("ERP") is due to be filed with the Environmental Protection Agency ("EPA") by December 31, 2021, and noted that the Board previously authorized BGE to prepare the District's ERP. After discussion, Director Handal moved that the ERP be approved, as recommended by BGE, and that BGE be authorized to file the associated certificate with the EPA by the applicable deadline. Director Ruske seconded the motion, which unanimously carried.

CLOSED SESSION

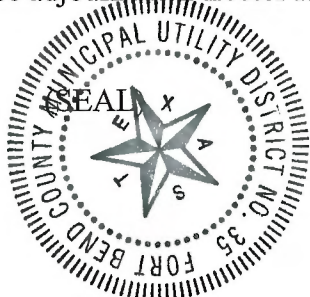
The Board determined that it would not be necessary to meet in Closed Session at this time.

FUTURE AGENDA ITEMS

The Board considered items for placement 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 Battistini moved that the meeting be adjourned. Director Handal seconded said motion, which unanimously carried.




Secretary, Board of Directors

TABLE OF EXHIBITS

November 3, 2021

- Exhibit A: Monthly Contract Deputy Report
- Exhibit B: Tax Assessor-Collector's Report
- Exhibit C: Bookkeeper's Report
- Exhibit D: Engineer's Report
- Exhibit E: Detention and Drainage Facilities Report
- Exhibit F: Operations and Maintenance Report
- Exhibit G: Amended Rate Order
- Exhibit H: District Website Analytics Report

607669_1.docx