

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

Minutes of Meeting of Board of Directors
May 4, 2022

The Board of Directors ("Board") of Fort Bend County Municipal Utility District No. 35, of Fort Bend County, Texas ("District"), met on May 4, 2022, at 1300 Post Oak Boulevard, Suite 2500, 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
Tony Feng, Assistant Secretary

and all of said persons were present, thus constituting a quorum.

Also present were: Taylor Watson of Municipal Accounts & Consulting, L.P. ("MAC"); Bernita Armstrong 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"); Nate Jackson of Brown & Gay Engineers, Inc. ("BGE"); Kim Cosco of Champions Hydro-Lawn, Inc. ("Champions"); Robert Lugo of Inframark ("Inframark"); Garima Dasgupta, a resident of the District; Jeremy Roach of Apollo IT Consulting ("Apollo"); and Kate Henderson 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. In that regard, Ms. Dasgupta introduced herself, expressed her interest in being appointed to fill the current vacancy on the Board, which resulted from Steven Olsen's resignation. The Board thanked Ms. Dasgupta for her interest and concurred to discuss the matter further later in the meeting.

Ms. Armstrong next addressed the Board to convey Seven Meadows' request that an item be added to next month's agenda for the Board to consider approval of an updated letter agreement by and between the District and Seven Meadows relative to the District's annual contribution toward the North Drainage Channel maintenance costs.

APPROVAL OF MINUTES

As the next order of business, the Board considered approval of the minutes of its meeting held on April 6, 2022. After discussion, Director Battistini moved that the minutes for said meeting be approved, as written. Director Feng seconded said motion, which unanimously carried.

ELECTION OF OFFICERS

The next item to be considered was the reorganization of the officers of the Board. In connection therewith, the Board considered nominations for the office of Secretary. Director Battistini nominated Director Feng for that office, and there being no further nominations, the

nominations were closed. A vote was called, and upon motion duly made by Director Battistini, seconded by Director Handal and unanimously carried, Director Feng was duly elected as Secretary of the Board and the District.

BOOKKEEPER'S REPORT

Mr. Watson presented to and reviewed with the Board the Bookkeeper's Report dated May 4, 2022, a copy of which is attached hereto as **Exhibit A**. After discussion, Director Battistini moved that the Bookkeeper's Report be approved and that the disbursements identified therein be approved for payment. Director Feng seconded said motion, which unanimously carried.

UNCLAIMED PROPERTY REPORT

The Board deferred consideration of approval of an Unclaimed Property Report as of March 1, 2022, and the filing of same with the State Comptroller prior to July 1, 2022, until its next meeting in June.

FORT BEND COUNTY CONSTABLE'S OFFICE ("FBCCO") ACTIVITY REPORT

Ms. Armstrong presented a Monthly Contract Deputy Report for the month of March, 2022, from FBCCO, a copy of which is attached hereto as **Exhibit B**. It was noted that no action was required of the Board.

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

The Board deferred consideration of the status of conversion to LED bulbs and painting of the decorative light poles in the community by CenterPoint Energy ("CenterPoint").

TAX ASSESSOR-COLLECTOR REPORT

Ms. Flores presented to and reviewed with the Board the Tax Assessor-Collector Report for the month ending April 30, 2022, a copy of which is attached hereto as **Exhibit C**. Ms. Flores advised the Board that the preliminary assessed value of the District for the 2022 tax year is \$1,022,939,602, representing an approximate 17.63% increase over 2021. She noted that the preliminary assessed value does not include personal property nor does it take into account reductions from protests. After discussion, it was moved by Director Battistini, seconded by Director Handal 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

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.

ENGINEER'S REPORT

Mr. Jackson presented to and reviewed with the Board a written Engineer's Report dated

May 4, 2022, 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. 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. Cosco next presented to and reviewed with the Board a Detention and Drainage Facilities Report ("D&D Report") dated May 4, 2022, prepared by Champions, for Little Prong Creek and corresponding photographs, a copy of which is attached hereto as **Exhibit E**. The Board noted that no action was required on its part in connection with the D&D Report at this time.

STORMWATER MANAGEMENT PROGRAM ("SWMP")

The Board considered the status of the District's SWMP. Ms. Henderson 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 March 2022, a copy of which is attached hereto as **Exhibit F**. Mr. Lugo reported to the Board that the District had approximately 95% water accountability for the reporting period, discussed repairs made throughout the District, and reviewed with the Board an inspection report from Landscape Images of Texas ("LIT"), relative to the District's park facilities, a copy of which is attached to the O&M Report. Mr. Lugo also presented one (1) account to be written off in the amount of \$11.16 and one (1) delinquent account to be referred to collections in the amount of \$54.92.

Mr. Lugo next reported concerning a recent main water line break near the intersection of Gaston Road and Willowleaf Garden Crossing. He discussed Inframark's efforts to isolate the leak and repair the damaged water line, noting that Inframark's efforts were hampered due to difficulties locating and operating a shut off valve. Mr. Lugo further noted that the subject water line has broken before in the same location and advised that Inframark is coordinating with BGE to determine the possible cause for the repeated breaks at that location and to provide proposed solutions. He then requested authorization for Inframark to perform a valve survey throughout the District at a cost of \$45.00 per valve for an estimated total cost of approximately \$24,120.

Mr. Lugo next presented to and reviewed with the Board proposals from LIT to repair the irrigation systems at the District's dog and family park sites, copies of which are attached to the O&M Report, in the total amount of \$945.

Mr. Lugo next advised the Board that Inframark is still preparing a draft Consumer Confidence Report and will submit it to SPH for review and approval in accordance with the Texas Commission on Environmental Quality ("TCEQ") template.

After discussion, Director Battistini moved that: (i) the Board authorize Inframark to (a) write off one (1) account and refer (1) delinquent account to collections, as detailed above, and (b) proceed with the valve survey, as discussed above; and (ii) LIT's proposals for the irrigation

repairs at the District's dog and family park sites be approved, as recommended by Inframark. Director Handal seconded the motion, which unanimously carried.

NFBWA WATER CONSERVATION PLAN ANNUAL IMPLEMENTATION REPORT

With regard to the Annual Implementation Report regarding the District's Water Conservation Plan, Mr. Lugo stated that said report was filed with the Texas Water Development Board and NFBWA prior to the May 1, 2022, deadline, as previously authorized by the Board.

STATUS OF DISTRICT WEBSITE AND IMPLEMENTATION OF MASS NOTIFICATION SYSTEM

The Board next considered the continued operation of the District's website and the continuing implementation of the District's mass notification system. In that regard, Mr. Roach presented to and reviewed with the Board a Quarterly Analytics Report for the quarter ending March 31, 2022, a copy of which is attached hereto as **Exhibit G**, detailing trends in traffic to the District's website. Mr. Roach next addressed the Board regarding the status of implementation of a mass notification system within the District by Apollo. In connection therewith, he presented a revised postcard, a copy of which is attached to the Quarterly Analytics Report, which provides information regarding the District's messaging service and reflects the new 10-digit opt-in number. After discussion, the Board concurred to send another postcard mailing to encourage customers to register for the District's notification service sometime this summer. The Board then requested that Apollo prepare a list of events that would trigger a notification to District customers for its consideration at next month's Board meeting.

ATTORNEY'S REPORT

The Board considered the Attorney's Report. In connection therewith, Ms. Henderson provided the Board with printed materials from a PowerPoint presentation provided by Acclaim Energy Advisors ("Acclaim") regarding the Acclaim Reliability Advantage program, as well as a proposed form of letter agreement relative to same, copies of which are attached hereto as **Exhibit H**. Ms. Henderson noted that Acclaim is seeking participation from a number of municipal utility districts with which they have an existing relationship in the Reliability Advantage Program at a cost of \$2,500 per district to interface with the Public Utility Commission to advocate on behalf of municipal utility districts relative to new rules and regulations proposed for adoption in connection with implementation of Senate Bill 3 from the 2021 Legislative Session, including encouraging the development of microgrids. To that end, Ms. Henderson advised that Acclaim is seeking to attend the Board's next meeting to discuss the Reliability Advantage Program in greater detail with the Board. Following discussion on the matter, the Board determined it was not interested in participating in the Reliability Advantage Program.

Ms. Henderson next reminded the Board of the existing vacancy on the District's Board due to Steven Olsen's resignation. After discussion, the Board directed SPH to prepare a notice regarding the current vacancy on the Board and its request that qualified individuals interested in filling the position submit a letter of interest no later than 5:00 p.m. on Monday, July 25, 2022, for the Board's consideration at its meeting scheduled for August 3, 2022, with interviews of selected applicants to be conducted at the Board meeting scheduled for September 7, 2022. The

Board concurred to choose a qualified applicant at its October Board meeting. The Board further requested that SPH coordinate posting of such notice on the District's website.

CLOSED SESSION

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

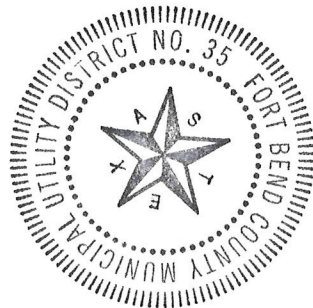
FUTURE AGENDA ITEMS

The Board considered items for placement on future agendas. Following discussion, the Board concurred to add an item to next month's agenda regarding Seven Meadow's request to renew the letter agreement relative to the District's annual contribution toward the North Drainage Channel maintenance costs.

ADJOURNMENT OF MEETING

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

(SEAL)



Jorge Lynn
Secretary, Board of Directors

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TABLE OF EXHIBITS

May 4, 2022

- Exhibit A: Bookkeeper's Report
- Exhibit B: FBCCO Monthly Activity Report
- Exhibit C: Tax Assessor-Collector's Report
- Exhibit D: Engineer's Report
- Exhibit E: Detention and Drainage Facilities Report
- Exhibit F: Operations and Maintenance Report
- Exhibit G: District Website Analytics Report (First Quarter, 2022)
- Exhibit H: Acclaim PowerPoint Presentation

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