

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

Minutes of Meeting of Board of Directors

February 25, 2025

The Board of Directors ("Board") of Fort Bend County Municipal Utility District No. 34, of Fort Bend County, Texas ("District") met in regular session at 1300 Post Oak Boulevard, Suite 2500, Houston, Texas 77056, on February 25, 2025, 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"); Justin Klump of Storm Water Solutions, LLC ("SWS"); Dee Russell 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").

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 January 28, 2025. 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

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 February 25, 2025, including a Quarterly Investment Inventory Report for the period ended December 31, 2024, a copy of which is attached hereto as **Exhibit A**. After discussion, Director Hajovsky moved that

(i) the Bookkeeper's Report be approved and that the disbursements identified therein be approved for payment, and (ii) the Quarterly Investment Report be approved, and that the District's Investment Officer be authorized to execute same on behalf of the Board and the District. Director Piper seconded said motion, which carried unanimously.

Director Marken entered the meeting during the above discussion.

STATUS OF DISCLOSURE REPORT

Ms. Henderson advised the Board that the annual continuing disclosure report, due March 31, 2025, will be filed by McCall, Parkhurst & Horton, L.L.P., the District's disclosure counsel.

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 January 31, 2025, a copy of which is attached hereto as **Exhibit B**. After discussion, Director Marken moved that the Tax Assessor-Collector Reports be approved and the disbursements identified therein be approved for payment. Director Hajovsky seconded said motion, which unanimously carried.

BUSINESS LIST UPDATE FOR STRATEGIC PARTNERSHIP AGREEMENT ("SPA") WITH CITY OF HOUSTON ("COH")

Ms. Scott next discussed with the Board the annual update of a list of businesses in the District in compliance with the District's SPA with the COH. She advised the Board that BLI updated the list of businesses located within the District's SPA boundaries and submitted same to the COH on January 30, 2025, prior to the January 31, 2025 deadline for same.

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 April.

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

Mr. Cosco next presented to and reviewed with the Board a D&D Report dated February 25, 2025, prepared by Champions, for Little Prong Creek ("LPC") and corresponding photographs, a copy of which is attached hereto as **Exhibit C**. Additionally, he presented an exhibit depicting certain noted areas of concern along LPC, a copy of which is included with **Exhibit C**, as previously requested by the Board. Mr. Safe then advised the Board that, at its last meeting, Fort Bend County Municipal Utility District No. 35, of Fort Bend County, Texas' ("No. 35") Board of Directors requested that BGE and Champions prepare a map of LPC highlighting those areas, which may either require repair or monitoring, together with cost estimates for the restoration of those areas identified as requiring repair or rehabilitation. Mr. Safe next reported that Grand Lakes Water Control and Improvement District ("GLWCID") provided notice that it is preparing to conduct repairs to an area of erosion in the District's shared portion of LPC. He noted that the District's share of the cost for repair will be calculated using the District's acreage draining into LPC, pursuant to the Agreement for Joint Financing, Rehabilitation and Maintenance of Drainage

Facilities by and among the District, No. 35 and GLWCID. After discussion, it was noted that no action was required by the Board in connection with the D&D Report at this time.

STORMWATER MANAGEMENT PROGRAM ("SWMP")

The Board considered the status of the District's Stormwater Management Plan ("SWMP"). In that regard, Mr. Klump presented to and reviewed with the Board an Annual Report relative to the Year 6 Extension of the District's SWMP (the "Annual Report") prepared in connection with the Texas Pollutant Discharge Elimination System ("TPDES") General Permit issued January 24, 2019, a copy of which is attached hereto as **Exhibit D**. He next presented a utility bill insert regarding stormwater runoff and prevention of stormwater pollution, a copy of which is included with **Exhibit D**, which is to be included in upcoming water bills to the District's customers. After discussion, Director Piper moved that the Annual Report and the utility bill insert be approved, as presented, and that the President be authorized to execute the Annual Report on behalf of the Board and the District. Director Hajovsky seconded said motion, which carried unanimously.

In connection with the new TPDES General Permit issued August 15, 2024, Mr. Klump presented to and reviewed with the Board a summary of the SWMP Year 1 Goals and Training (the "Training Summary"), a copy of which is included with **Exhibit D**, and began his first training session (of two required sessions each year) with the Board and other District consultants. Mr. Klump then explained the importance of keeping household hazardous waste, pet waste, and yard waste out of the storm sewers, to prevent adding to bacterial impairment. He then continued with the training, thoroughly explaining the source of bacteria and outlining the program elements of the SWMP that deal with these sources.

DISTRICT WEBSITE AND MASS NOTIFICATION MESSAGING MATTERS

Ms. Russell next presented to and reviewed with the Board a Monthly Communications Report prepared by Touchstone dated February 25, 2025, 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 noted that no action by the Board was necessary in connection with the Communications Report at this time.

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

Ms. Henderson presented to the Board Monthly Contract Deputy Reports for the month of January, 2025 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 January 2025 prepared by MOC. In connection therewith, he reported that the District had 142% water accountability for the reporting period due to a billing error by No. 35. After discussion, the Board concurred with Mr. Watson's recommendation that check no. 11149 in the amount of \$51,770.18 payable to the

Fort Bend County MUD No. 34 – Joint Water Plant checking account be voided, with a new check for the District's bulk water purchase in January to be issued upon receipt of the corrected January meter reading from No. 35's operator. Mr. Arrant then presented two (2) delinquent accounts in the total amount of \$92.62 to be moved to the uncollectible roll.

With regard to the sanitary sewer repairs identified in Phase 2 of 5 (Schedule B) of the District's Sanitary Sewer Maintenance Program (the "Phase 2 Repairs"), Mr. Arrant reported that the Phase 2 Repairs are complete. He further reported that the (a) installation of warning signs and certain surveillance equipment at the Joint Wastewater Treatment Plant, the District's Wastewater Treatment Plant, the Joint Water Plant and the Joint Remote Well site, (b) inventory and replacement, as necessary, of the District's inlet markers, and (c) rehabilitation of the two (2) play structure pits located at the District's family park are all complete.

Mr. Arrant next reported that the Splash Pad located at the Family Park was recently tagged by Fort Bend County (the "County") due to a new permitting requirement by the County. After noting that Watts Pool Service is not able to provide the inspection service required for permitting, Mr. Arrant advised the Board that MOC will work on locating another licensed service provider to perform the necessary inspection.

The Board considered authorizing MOC to provide required information to districts receiving water through an emergency interconnect relative to Consumer Confident Reports ("CCR") and to prepare a draft CCR for review by the Board. Ms. Henderson advised that, pursuant to CCR requirements promulgated by the United States Environmental Protection Agency and the Texas Commission on Environmental Quality ("TCEQ"), the District is required to provide (i) a report containing various information regarding the District's water supply to any other water supplier which has received water from the District during the prior calendar year by April 1, 2025, and (ii) a report containing various information regarding the District's water supply to all customers of the District by July 1, 2025.

After discussion, Director Hajovsky moved that MOC be authorized to: (i) move two (2) accounts in the amount of \$92.62 to the uncollectible roll, as recommended by MOC; (ii) engage a licensed service provider to perform the necessary inspection of the Splash Pad and complete the County's permitting process for same; and (iii) prepare the CCR and that SPH be authorized to review same for compliance with the TCEQ's regulatory requirements, all as discussed above. Director Marken seconded the motion, which carried unanimously.

Mr. Klump during the above discussion.

ENGINEER'S REPORT

Mr. Safe presented to and reviewed with the Board a written Engineer's Report dated February 25, 2025, a copy of which is attached hereto as **Exhibit H**, relative to the status of various engineering and construction projects within the District, and discussed the matters contained therein. After discussion, Director Hajovsky moved that the Board authorize SPH to send correspondence to XAG Group HQ LLC ("XAG") regarding the status of the Utility Commitment issued to XAG by the District, which expired on February 1, 2025, and the outstanding amount due to the District, as well as the additional \$20,000 deposit required to cover any further costs the District may incur in connection with the proposed relocation of the District's existing 12-inch

waterline and 20- foot waterline easement. Director Marken seconded said motion, which unanimously carried.

ANNUAL REVIEW OF SURVEY OF WAGE RATE SCALES AND ADOPTION OF RESOLUTION ADOPTING PREVAILING WAGE RATE SCALE FOR CONSTRUCTION PROJECTS

The Board next considered the review of an annual survey of prevailing wage rate scales for construction projects and the adoption of a Resolution in connection therewith. In that regard, Ms. Henderson reported that SPH is recommending that the District continue to adopt the wage rate scales as determined by the United States Department of Labor ("DOL") for Fort Bend County (the "County"). After discussion on the matter, Director Hajovsky moved that the DOL wage rate scales for the County be adopted as the District's prevailing wage rate scales for construction projects, and that the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects, which Resolution is attached hereto as **Exhibit I**, be adopted by the Board. Director Torres seconded said motion, which unanimously carried.

ADOPTION OF RESOLUTION CONCERNING DEVELOPED DISTRICT STATUS FOR 2025 TAX YEAR

Ms. Henderson advised the Board that the procedures applicable to the adoption of the District's tax rate will depend, in part, upon whether the District is determined to be a "Developed District" under Texas Water Code Section 49.23602. She then presented to and reviewed with the Board a worksheet completed by BGE to assist the Board in making this determination, along with a Resolution Concerning Developed District Status for the 2025 Tax Year, attached hereto as **Exhibit J**, determining that the District shall not be considered a Developed District. Following discussion, upon motion made by Director Hajovsky, seconded by Director Piper and unanimously carried, the attached Resolution was adopted by the Board.

STATUS OF COMPLIANCE WITH THE EPA'S NATIONAL PRIMARY DRINKING WATER REGULATIONS FOR PFAS

The Board deferred discussion on the District's compliance with the EPA's final National Primary Drinking Water Regulations for PFAS at this time.

UTILITY COMMITMENT REQUESTS

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

APPROVAL OF AMENDED SERVICES AGREEMENT WITH FLOCK GROUP, INC.; FLOCK SAFETY REPORT

With regard to the proposed amended Services Agreement with Flock Group, Inc. ("Flock") relative to the license plate cameras within the District, Ms. Henderson reported that Flock is in the process of preparing the amended Agreement for the Board's consideration and approval at its next meeting. She then presented to and reviewed with the Board a monthly report on its security cameras throughout the District for the periods January 1 – January 31, 2025, and

February 1 through February 24, 2025. A copy of the Flock Safety Report is attached hereto as **Exhibit K**.

PROPOSAL FOR RENEWAL OF DISTRICT INSURANCE COVERAGES

The Board discussed the District's various insurance coverages scheduled to expire on March 31, 2025. In that regard, Ms. Henderson presented to and reviewed with the Board a renewal insurance proposal received from Arthur J. Gallagher & Co. ("AJG"), the District's current insurance provider, for the 2025 – 2026 policy term, a copy of which is attached hereto as **Exhibit L**. After discussion, the Board deferred action on the proposal from AJG. It was then moved by Director Marken, seconded by Director Hajovsky and unanimously carried, that SPH be authorized to obtain an additional proposal from McDonald & Wessendorff Insurance for consideration at its next meeting in March.

ATTORNEY'S REPORT

The Board considered the Attorney's Report. In that regard, Ms. Henderson reported on her communications with CenterPoint Energy ("CenterPoint") regarding the status of the conversion to LED bulbs and painting of the decorative light poles within the District, noting that CenterPoint is currently in the process of investigating the matter.

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 Marken moved that the meeting be adjourned. Director Hajovsky seconded said motion, which unanimously carried.

(SEAL)



Secretary, Board of Directors



TABLE OF EXHIBITS

February 25, 2025

Exhibit A:	Bookkeeper's Report
Exhibit B:	Tax Assessor-Collector Reports
Exhibit C:	Detention and Drainage Facilities Report; Little Prong Creek Exhibit
Exhibit D:	SWMP Annual Report and Training Summary; utility bill insert
Exhibit E:	Communications Report
Exhibit F:	FBCCO Report
Exhibit G:	Monthly Operations Report
Exhibit H:	Engineer's Report
Exhibit I:	Resolution Adopting Prevailing Wage Rate Scale
Exhibit J:	Resolution Concerning Developed District Status for 2025 Tax Year
Exhibit K:	Flock Safety Report
Exhibit L:	Insurance Proposal from Arthur J. Gallagher, 2025-2026 Term