

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

Minutes of Meeting of Board of Directors

November 22, 2022

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 November 22, 2022, 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 Torres and Piper, thus constituting a quorum.

Also present were: Cory Burton of Municipal Accounts & Consulting, L.P. ("MAC"); Kristen Scott of Bob Leared Interests ("BLI"); Jerry Schroeder of Champions Hydro-Lawn, Inc. ("Champions"); Keith Arrant of Municipal Operations & Consulting, Inc. ("MOC"); Jeff Safe of BGE, Inc. ("BGE"); and Howard Cohen 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. The Board deferred consideration of comments from the public as no comments were offered.

APPROVE MINUTES

The Board considered approval of the minutes of its meeting held on October 25, 2022. After discussion, Director Hajovsky moved that the minutes for said meetings be approved, as written. Director Marken seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

The Board next considered the Bookkeeper's Report. In connection therewith, Mr. Burton presented to and reviewed with the Board the Bookkeeper's Report dated November 22, 2022, including a Quarterly Investment Inventory Report for the period ended September 30, 2022, a copy of which is attached hereto as **Exhibit A**. After discussion, Director Marken moved that: (i) the Bookkeeper's Report be approved and that the disbursements identified therein be approved for payment, with the exception of check nos. 10360 and 10361, which were voided, 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 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 dated October 31, 2022, 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 Marken seconded said motion, which unanimously carried.

DELINQUENT TAX REPORT

Mr. Cohen 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.

CHAMPIONS REPORT – 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 22, 2022, prepared by Champions, for Little Prong Creek and corresponding photographs, a copy of which is attached hereto as **Exhibit C**. 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 next considered the status of the District's SWMP. Mr. Cohen noted that there were no updates at this time.

DISTRICT WEBSITE AND MASS NOTIFICATION MESSAGING MATTERS

The Board deferred consideration of the status of the District's website and mass notification messaging matters, noting that no report had been received from Touchstone District Services, LLC this month.

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

Mr. Cohen presented to the Board a Monthly Contract Deputy Report for the month of October 2022 from the FBCCO (the "FBCCO Report"), a copy of which is attached hereto as **Exhibit D**. 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 E**, for October 2022 prepared by

MOC. In connection therewith, he reported that the District had 96% water accountability for the reporting period.

Mr. Arrant next reported that the drum screen located at the Joint Wastewater Treatment Plant (the "Joint WWTP") has deteriorated and must be replaced as soon as possible. In connection therewith, he presented photographs depicting the damage drum screen, copies of which are included with **Exhibit E**. He advised the Board that the estimated cost for a replacement drum screen from Parkson Corporation, the sole source for the particular drum screen required, is approximately \$80,000 to \$85,000. After discussion, it was moved by Director Marken, seconded by Director Hajovsky and unanimously carried, that: (i) MOC be authorized to proceed with replacement of the drum screen at the Joint WWTP, as discussed above, and (b) SPH and BGE be authorized to prepare correspondence directed to the Texas Commission on Environmental Quality ("TCEQ") requesting emergency approval of the project.

NFBWA 2022 WATER PROVIDER CONSERVATION PROGRAM REPORT AND 2023 ENROLLMENT

The Board considered the status of the District's participation in the NFBWA 2022 Water Provider Conservation Program. In connection therewith, Mr. Arrant reported that the District is expected to complete the required number of initiatives to qualify for receipt of the 2022 rebate prior to the deadline for same. The Board deferred discussion regarding the District's enrollment in the 2023 Water Provider Conservation Program.

DISCUSSION REGARDING INSTALLATION OF SMART METERS IN THE DISTRICT

Mr. Arrant next addressed the Board regarding the implementation of Accurate Meter & Supply, LLC's ("AMS") four (4) month pilot program for the installation of ten (10) wireless meters within the District. In connection therewith, he reviewed a promotional flier and a proposal prepared by AMS, copies of which are attached hereto as **Exhibit F**. Mr. Arrant noted that, if the Board is satisfied with the wireless meters at the conclusion of the four (4) month trial period, then it could move forward with installing such wireless meters throughout the District. After discussion on the matter, Director Marken moved that the Board authorize (i) the installation of ten (10) Badger E-Series wireless electronic meters in the District and to obtain four (4) months of service from AMS, for purposes of conducting the pilot program and in accordance with the proposal materials provided, in an amount not to exceed \$4,000 and (ii) authorize MOC to determine which wireless meter option the District should choose and coordinate with AMS regarding same. Director Hajovsky seconded said motion, which unanimously carried.

ENGINEER'S REPORT

Mr. Safe presented to and reviewed with the Board a written Engineer's Report, dated November 22, 2022, a copy of which is attached hereto as **Exhibit G**, relative to the status of various engineering and construction projects within the District, and discussed the matters contained therein.

With regard to the proposed purchase and installation of an emergency generator at the joint remote water well site ("Remote Well Generator Project"), Mr. Safe reported that BGE

received three (3) bids for the project. He then presented to and reviewed with the Board a bid tabulation, a copy of which is attached to the Engineer's Report, and advised the Board that depending on which supplemental bid items the Board wishes to include in the Remote Well Generator Project, the lowest qualified bidder is either McDonald Municipal and Industrial ("MMI") or CSE W-Industries ("CSE"). He advised the Board that CSE submitted the lowest base bid and that if the Board deducts the cost of certain supplemental bid items, then MMI may have submitted the lowest total bid. A lengthy discussion then ensued regarding the supplemental bids items. Mr. Safe next presented to and reviewed with the Board a proposal from BGE, a copy of which is attached to the Engineer's Report, in the total estimated amount of \$65,000 for the implementation of a Geographic Information System ("GIS") database for the District. After further discussion, it was moved by Director Hajovsky, seconded by Director Marken and unanimously carried, that the Engineer's Report be approved and that: (i) the contract for the Remote Well Generator Project be awarded to MMI in the total estimated amount of \$572,369, which reflects MMI's bid after the deduction of the supplemental bid items in the amount \$6,100 for interior LED lighting and \$36,000 for a stainless steel exhaust system; and (ii) BGE's proposal in the total estimated amount of \$65,000 for the implementation of a GIS database be approved.

The Board next considered the District's proposed participation in the North Fort Bend Water Authority ("NFBWA") effluent reuse program. In connection therewith, Mr. Safe reported that the District's and No. 35's Reclaimed Water Sub-Committees met earlier in the month to discuss the term sheet prepared by the NFBWA relative to a proposed Reclaimed Water Facilities Agreement with the NFBWA. He then provided a summary of the discussion that took place at said meeting and noted that comments to the term sheet produced in the Sub-Committee meeting were subsequently forwarded to the NFBWA by SPH.

UTILITY COMMITMENT REQUESTS

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

EMINENT DOMAIN REPORT

Mr. Cohen 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 Marken, seconded by Director Hajovsky and unanimously carried, that the Board authorize SPH to file the annual eminent domain report with the Comptroller on behalf of the District prior to February 1, 2023.

ATTORNEY'S REPORT

The Board considered the Attorney's Report. In that regard, Mr. Cohen advised 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, a copy of which is attached hereto as **Exhibit H**.

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

November 22, 2022

- Exhibit A: Bookkeeper's Report
- Exhibit B: Tax Assessor-Collector Report
- Exhibit C: Detention and Drainage Facilities Report
- Exhibit D: FBCCO Report
- Exhibit E: Monthly Operations Report; summary of bids for Clarifier Rehab Project
- Exhibit F: AMS Smart Meter Pilot Program – Flier and Proposal
- Exhibit G: Engineer's Report; draft Capital Improvement Plan
- Exhibit H: Masterson Advisors, LLC – MSRB Rule G-10 Annual Disclosure