

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

Minutes of Special Meeting of Board of Directors
January 3, 2025

The Board of Directors ("Board") of Fort Bend County Municipal Utility District No. 35, of Fort Bend County, Texas ("District"), met in special session on January 3, 2025, 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
Trevor Eynon	Secretary
Shah Haleem	Assistant Secretary
Garima D. Gupta	Assistant Secretary

and all of said persons were present, except Directors Gupta and Haleem, thus constituting a quorum. Director Haleem entered the meeting after it was called to order, as noted herein.

Also present were: Eric Gonzalez of Clarity Consulting Corporation ("Clarity"); Jeff Safe of Brown & Gay Engineers, Inc. ("BGE"); Kim Cosco of Champions Hydro-Lawn, Inc. ("Champions"); Dawn Mouton of Inframark ("Inframark"); 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.

APPROVAL OF MINUTES

As the next order of business, the Board considered approval of the minutes of its meeting held on December 4, 2024. After discussion, Director Battistini moved that the minutes for said meetings be approved, as written. Director Handal seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Mr. Gonzalez presented to and reviewed with the Board the Bookkeeper's Report prepared by Clarity dated January 3, 2025, including an Investment Report for the period December 1, 2024, through December 31, 2024, a copy of which is attached hereto as **Exhibit A**. Following discussion, it was moved by Director Handal that (i) the Bookkeeper's Report be approved and the disbursements identified therein be approved for payment, except for check no. 10763, which was voided, and (ii) the Investment Report for December 2024 be approved, and the District's

Investment Officer be authorized to execute same on behalf of the Board and District. Director Battistini seconded said motion, which unanimously carried.

Director Haleem entered the meeting during the above discussion.

AUDIT REPORT FOR FISCAL YEAR ENDED SEPTEMBER 30, 2024

The Board deferred consideration of the District's audit report for the fiscal year ended September 30, 2024, until its next meeting in February.

CONTINUING DISCLOSURE REPORT

The Board deferred consideration of the annual continuing disclosure report due March 30, 2025.

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS ("COMPTROLLER") SPECIAL PURPOSE DISTRICT PUBLIC INFORMATION DATABASE

Ms. Henderson informed the Board that, pursuant to provisions of Chapter 403, Government Code, and Chapter 203, Local Government Code, the District is required to annually submit information to the Comptroller for inclusion in the Special Purpose District Public Information Database no later than April 1st of each year. Ms. Henderson recommended that Forvis Mazars, LLP ("Forvis"), the District's auditor, be authorized to prepare and submit the information for the 2025 reporting period. After discussion on the matter, it was moved by Director Battistini, seconded by Director Handal and unanimously carried, that Forvis be authorized to prepare the required information for the 2025 reporting period and submit same to the Comptroller for inclusion in the Special Purpose District Information Database no later than April 1, 2025.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Henderson presented to and reviewed with the Board the Tax Assessor-Collector Report for the month ending December 31, 2024, a copy of which is attached hereto as **Exhibit B**. Following discussion, it was moved by Director Battistini, seconded by Director Haleem 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 presented to and reviewed with the Board a Delinquent Tax Report dated January 2025 from Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue"), the District's delinquent tax collections attorneys, a copy of which is attached hereto as **Exhibit C**. The Board noted there were no action items in the report.

RESOLUTION AUTHORIZING AN ADDITIONAL PENALTY ON DELINQUENT PERSONAL PROPERTY TAXES

The Board considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes. Ms. Henderson advised that the Board is authorized pursuant to Section 33.11 of the Texas Tax Code, as amended, to impose, under certain conditions, 60 days after the date the taxes become delinquent, an additional penalty not to exceed twenty percent

(20%) of the total taxes, penalty and interest due the District on personal property taxes that remain delinquent as of said 60th day, as more fully described in said Resolution. After discussion, it was moved by Director Eynon, seconded by Director Haleem and unanimously carried, that the Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes attached hereto as **Exhibit D** be adopted by the Board, and that Perdue be authorized to collect delinquent personal property taxes beginning April 1, 2025, including the filing of lawsuits, if necessary.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Ms. Henderson outlined for the Board the various tax exemptions available for the District, including the exemptions provided for by Article VIII, Section 1-b of the Texas Constitution, and Section 11.13 of the Texas Tax Code. She advised that under said provisions, the District may provide for the exemption of up to 20% (but not less than \$5,000, if granted) of the market value of residential homestead improvements for the year 2025, and the District may also exempt residential homesteads of persons who are under a disability for purposes of payment of disability insurance benefits under the Federal Old Age, Survivors and Disability Insurance Act, or its successor, or persons sixty-five years of age or older, from ad valorem taxes levied by the District during the calendar year 2025, and, if any such exemptions are granted, they must be for not less than \$3,000 of the market value of such homesteads. After discussion, Director Eynon moved that the District (a) not grant a residential homestead exemption, and (b) grant an exemption of \$35,000 for persons under a disability or sixty-five years of age or older from ad valorem taxes levied by the District during the calendar year 2025, and that the Resolution included in **Exhibit E** relative to same be passed and adopted by the Board and District. Director Haleem seconded said motion, which unanimously carried.

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

Ms. Henderson presented Monthly Contract Deputy Activity Report for the month of November 2024, regarding FBCCO, 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.

ENGINEER'S REPORT

Mr. Safe presented to and reviewed with the Board a written Engineer's Report dated January 3, 2025, 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. Mr. Safe advised the Board that BGE is in the process of updating the District's draft Capital Improvement Plan ("CIP") to address issues noted in the Condition Assessment Report relative to the Joint 1.0 MGD Wastewater Treatment Plant, both of which were presented for the Board's review at its meeting held on November 6, 2024, and that a final CIP would be presented to the Board in early 2025. After discussion, it was noted that no action was required by the Board in connection with the Engineer's Report at this time.

RESOLUTION ADOPTING FLOOD DAMAGE PREVENTION REGULATIONS AND APPROVAL OF AMENDED INTERLOCAL AGREEMENT BETWEEN THE DISTRICT AND FORT BEND COUNTY

The Board next considered the adoption of a new Flood Damage Prevention Order ("Order"), which mirrors Fort Bend County's (the "County") current form of Flood Damage Prevention Regulations, pursuant to the Interlocal Agreement between the District and the County

memorializing the transfer from the District to the County of floodplain administration and permitting duties. With regard thereto, Ms. Henderson presented to and reviewed with the Board a Resolution Adopting Flood Damage Prevention Order and an amended Interlocal Agreement between the District and the County. After discussion, Director Handal moved that (i) the Resolution Adopting Flood Damage Prevention Order, attached hereto as **Exhibit H**, be adopted by the Board, and (ii) the amended Interlocal Agreement with the County, attached hereto as **Exhibit I**, be approved, subject to final review by SPH. Director Battistini seconded said motion, which unanimously carried.

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

Mr. Cosco next presented to and reviewed with the Board a Detention and Drainage Facilities Report ("D&D Report") dated January 3, 2025, prepared by Champions, for Little Prong Creek and corresponding photographs, a copy of which is attached hereto as **Exhibit J**. In connection therewith, he noted a section of missing sod in the area recently repaired by Double Oak Erosion ("Double Oak") utilizing the SOX erosion repair system, as depicted in the D&D Report. Mr. Safe advised the Board that BGE will contact Double Oak regarding rehabilitation of the area.

The Board next considered an area of erosion noted on page 16 of the D&D Report. After discussion, the Board requested that BGE formulate a plan to address the matter for the Board's consideration at its next meeting.

STORMWATER MANAGEMENT PROGRAM ("SWMP")

The Board next considered the status of the District's SWMP. Ms. Henderson noted that there were no updates at this time.

OPERATIONS AND MAINTENANCE REPORT

Ms. Mouton presented to and reviewed with the Board the Operations and Maintenance Report ("O&M Report") for the month of November 2024, a copy of which is attached hereto as **Exhibit K**. Ms. Mouton reported that the District had approximately 88% water accountability for the reporting period and stated that she will contact the Operator for Fort Bend County Municipal Utility District No. 34, of Fort Bend County, Texas to inquire about the possible cause of the District's low accountability. Ms. Mouton next 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. Ms. Mouton reported that the tree trimming at the Dog Park has been completed for a total cost of \$2,850, as previously authorized by the Board. The Board noted that it wished to consider a proposal for mulching the trees located at the Dog Park and requested that Ms. Mouton obtain such proposal for the Board's consideration at its meeting in February. Ms. Mouton then presented four (4) accounts to be referred to collections in the total amount of \$400.56.

The Board next considered matters related to maintenance of the District's Family Park. In connection therewith, Ms. Mouton presented a proposal prepared by LIT, a copy of which is included with **Exhibit K**, for removal of a dead pine tree located at the Family Park, including its stump, and for trimming the trees located at said Park for the total approximate cost of \$9,225. Ms. Mouton noted she will obtain a proposal from LIT for mulching the trees located at the Family Park for the Board's consideration at its meeting in February. She next presented a proposal

prepared by Ski-Bo's General Services, LLC ("Ski-Bo's"), a copy of which is included with **Exhibit K**, in the total amount of \$1,500 for power washing the playground equipment located at the Family Park.

With regard to the possible repair and/or rehabilitation of the sidewalk panels on either side of the manhole located at 5519 Maverick Point Lane, Ms. Mouton presented to and reviewed with the Board a proposal prepared by Tilted Concrete Solutions, LLC ("TCS"), a copy of which is included with **Exhibit K**, in the total estimated amount of \$1,078.27.

A discussion next ensued regarding the status of reimbursement by Ezee Fiber Texas, LLC ("Ezee Fiber") for damages to the District's water lines. In connection therewith, Ms. Mouton reported that, after Inframark contacted Fort Bend County regarding the unpaid back charges to Ezee Fiber for repairs to District facilities damaged by subcontractors working on its behalf, Ezee Fiber has paid \$7,731.31 of the approximately \$11,412 in total back charges outstanding. She noted that Ezee Fiber is disputing two (2) of the smaller work orders submitted by Inframark on the District's behalf.

After discussion, it was duly moved by Director Battistini, seconded by Director Eynon and unanimously carried, that (i) Inframark be authorized to refer four (4) delinquent accounts to collections, and (ii) the Board approve the proposals from (a) LIT and Ski-Bo's relative to work to be performed at the District's Family Park and, (b) TCS relative to repair of certain sidewalk panels located at 5519 Maverick Point Lane, and authorize Inframark to proceed with same, all as discussed above and as recommended by Inframark.

ENVIRONMENTAL PROTECTION AGENCY'S ("EPA") FINAL NATIONAL PRIMARY DRINKING WATER REGULATION FOR PFAS

The Board deferred consideration of the status of the District's compliance with the EPA's final National Primary Drinking Water Regulation for PFAS.

DISTRICT WEBSITE AND MASS NOTIFICATION MESSAGING MATTERS

The Board deferred consideration of the continued operation of the District's website and its mass notification system.

RENEWAL OF DISTRICT INSURANCE COVERAGES

The Board discussed obtaining insurance proposals for the 2025-2026 term. Ms. Henderson advised the Board that the District's current insurance coverages through McDonald & Wessendorff ("M&W") are set to expire on March 31, 2025. After discussion on the matter, Director Haleem moved that SPH be authorized to request a renewal proposal from M&W for the District's property, comprehensive boiler and machinery, general, hired/non-owned automobile, commercial umbrella and directors' and officers' liability policies, Directors Position Schedule Bond, Public Employee Blanket Bond and all other policies for the term commencing April 1, 2025. Director Battistini seconded the motion, which unanimously carried.

ATTORNEY'S REPORT

The Board considered the attorney's report. In that regard, Ms. Henderson presented to and reviewed with the Board an Order Establishing Policy for Covered Applications and Prohibited Technology ("Technology Policy"), attached hereto as **Exhibit L**. Ms. Henderson advised that

Senate Bill 1893, as passed during the 88th Regular Session, requires that all political subdivisions of the state, including the District, adopt a policy that prohibits the installation of certain social media applications, defined as "covered applications", on electronic devices owned or leased by the District. She noted that the social media application TikTok and any other software owned by ByteDance Limited are considered covered applications and may not be installed or used on a District owned or leased device. Ms. Henderson further advised that the proposed Technology Policy mirrors the model policy created for governmental entities created by the Texas Department of Information Resources ("DIR"), and will be updated as needed to comply with the recommendations of DIR. After discussion on the matter, Director Battistini moved that the Technology Policy be adopted, and that the President and Secretary be authorized to execute the same. Director Handal seconded said motion, which unanimously carried.

The Board deferred consideration of PFAS-related class action litigation and settlements.

CLOSED SESSION

Ms. Henderson advised the Board that it would not be necessary for the Board to convene in closed session.

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 Haleem seconded said motion, which unanimously carried.



Secretary, Board of Directors

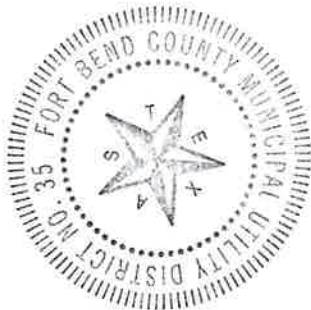


Table of Exhibits

- Exhibit A: Bookkeeper's Report
- Exhibit B: Tax Assessor-Collector's Report
- Exhibit C: Delinquent Tax Report
- Exhibit D: Resolution Authorizing Additional Penalty on Delinquent Personal Property Taxes
- Exhibit E: Resolution Concerning Exemptions from Taxation
- Exhibit F: FBCCO Monthly Activity Report
- Exhibit G: Engineer's Report
- Exhibit H: Resolution Adopting Flood Damage Prevention Order
- Exhibit I: Amended Interlocal Agreement between the District and the County
- Exhibit J: Detention and Drainage Facilities Report
- Exhibit K: Operations and Maintenance Report; LIT Proposal; Ski-Bo's Proposal; Tilted Concrete Solutions Proposal
- Exhibit L: Order Establishing Policy for Covered Applications and Prohibited Technology