

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

Minutes of Meeting of Board of Directors
February 5, 2025

The Board of Directors ("Board") of Fort Bend County Municipal Utility District No. 35, of Fort Bend County, Texas ("District"), met in regular session on February 5, 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 Haleem and Gupta, thus constituting a quorum. Directors Haleem and Gupta each entered the meeting after it was called to order, as noted herein.

Also present were: Eric Gonzalez of Clarity Consulting Corporation ("Clarity"); Sherri Greenwood of Forvis Mazars, LLP ("Forvis"); Esther Flores of Tax Tech, Inc. ("Tax Tech"); Jeff Safe of Brown & Gay Engineers, Inc. ("BGE"); Kim Cosco of Champions Hydro-Lawn, Inc. ("Champions"); David Beyer of Storm Water Solutions, LLC ("SWS"); 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 January 3, 2025. After discussion, Director Handal moved that the minutes for said meetings be approved, as written. Director Eynon seconded said motion, which unanimously carried.

Director Haleem entered the meeting at this time.

BOOKKEEPER'S REPORT

Mr. Gonzalez presented to and reviewed with the Board the Bookkeeper's Report prepared by Clarity dated February 5, 2025, including an Investment Report for the period January 1, 2025,

through January 31, 2025, a copy of which is attached hereto as **Exhibit A**. Following discussion, it was moved by Director Eynon that (i) the Bookkeeper's Report be approved and the disbursements identified therein be approved for payment, except for check no. 10809, which was voided, and (ii) the Investment Report for January 2025 be approved, and the District's Investment Officer be authorized to execute same on behalf of the Board and District. Director Haleem seconded said motion, which unanimously carried.

AUDIT REPORT FOR FISCAL YEAR ENDED SEPTEMBER 30, 2024

The Board next reviewed and considered approval of the District's audit report for the fiscal year ended September 30, 2024. In connection therewith, Ms. Greenwood presented and reviewed in detail with the Board a draft of the audit report prepared by Forvis, together with a draft Management Letter concerning the Board's internal controls over financial reporting and draft management's response to same, copies of which are attached hereto as **Exhibit B**. Ms. Greenwood advised the Board that the Management Letter is being submitted in connection with the requirements of Statement on Auditing Standards No. 115. After discussion, it was moved by Director Battistini, seconded by Director Handal and unanimously carried, that (i) the audit report for the fiscal year ended September 30, 2024, be approved, subject to final review and comments by the District's consultants, (ii) the draft management response be approved, as presented, and that same be included in the final Management Letter, (iii) the President be authorized to execute the Annual Filing Affidavit on behalf of the Board and the District, and (iv) such audit report and Annual Filing Affidavit be filed with the appropriate governmental authorities, including the Texas Commission on Environmental Quality ("TCEQ").

CONTINUING DISCLOSURE REPORT

The Board next considered authorizing the preparation of the District's annual Continuing Disclosure Report due March 30, 2025. Ms. Henderson advised the Board that, once the District's Audit Report for the fiscal year ended September 30, 2024, has been finalized, the District's Continuing Disclosure Counsel, McCall, Parkhurst & Horton L.L.P. ("McCall Parkhurst"), will prepare and file the annual Continuing Disclosure Report with the appropriate repositories prior to the due date of March 30, 2025. After discussion on the matter, it was moved by Director Haleem, seconded by Director Handal and unanimously carried, that McCall Parkhurst be authorized to prepare the District's annual Continuing Disclosure Report for the fiscal year ended September 30, 2024, and file same with the appropriate repositories prior to the due date of March 30, 2025.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Flores presented to and reviewed with the Board the Tax Assessor-Collector Report for the month ending January 31, 2025, a copy of which is attached hereto as **Exhibit C**. Following discussion, it was moved by Director Eynon, 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.

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

Ms. Henderson 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. In that regard, she advised the Board that B&A Municipal Tax Service, LLC submitted an updated list of businesses located

within the District's SPA boundaries to the COH on January 28, 2025, prior to the January 31, 2025 deadline.

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 April.

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

Ms. Henderson presented Monthly Contract Deputy Activity Reports for the months of December 2024 and January 2025, prepared by the FBCCO, copies of which are 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.

ENGINEER'S REPORT

Mr. Safe presented to and reviewed with the Board a written Engineer's Report dated February 5, 2025, a copy of which is attached hereto as **Exhibit E**, relative to the status of various engineering and construction projects within the District, and discussed the matters contained therein. Following a discussion regarding various noted areas of erosion along Little Prong Creek ("LPC"), the Board 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. It was noted that no action was required by the Board in connection with the Engineer's Report at this time.

Director Gupta entered the meeting during the above discussion.

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 Battistini 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 F**, be adopted by the Board. Director Handal seconded said motion, which unanimously carried.

Ms. Flores exited the meeting at this time.

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 G**, determining that the District shall be considered a Developed District. Following discussion, upon motion made by Director Handal, seconded by Director Eynon and unanimously carried, the attached Resolution was adopted by the Board.

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 February 5, 2025, prepared by Champions, for LPC and corresponding photographs, a copy of which is attached hereto as **Exhibit H**. Following the discussion, the Board concurred that no action was necessary regarding the matter at this time.

STORMWATER MANAGEMENT PROGRAM ("SWMP")

The Board considered the status of the District's Stormwater Management Plan ("SWMP"). In that regard, Mr. Beyer 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 I**. He next presented a utility bill insert regarding stormwater runoff and prevention of stormwater pollution, a copy of which is included with **Exhibit I**, which is to be included in upcoming water bills to the District's customers. After discussion, Director Eynon 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 Haleem seconded said motion, which carried unanimously.

In connection with the new TPDES General Permit issued August 15, 2024, Mr. Beyer 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 I**, and began his first training session (of two required sessions each year) with the Board and other District consultants. Mr. Beyer 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.

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 December 2024, a copy of which is attached hereto as **Exhibit J**. Ms. Mouton reported that the District had approximately 95% water accountability for the reporting period. 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 (i) pressure washing of the playground equipment located at the Family Park, (ii) trimming of the trees located at the Family Park, and (iii) rehabilitation of the sidewalk panels on either side of the manhole located at 5519 Maverick Point Lane have been completed, as previously authorized by the Board. Ms. Mouton then presented four (4) accounts to be referred to collections in the total amount of \$480.47.

The Board next considered matters related to maintenance of the District's Dog and Family Parks. In connection therewith, Ms. Mouton presented two (2) proposals prepared by LIT to mulch the trees at the Dog and Family Parks, copies of which are included with **Exhibit J**, for the total approximate cost of \$3,125 at the Family Park and \$2,500 at the Dog Park. A discussion next ensued regarding the playground equipment located at the Family Park. Director Handal suggested that the Board consider engaging a Certified Playground Safety Inspector ("CPSI") to provide an evaluation of said Park and its facilities. The Board concurred with Director Handal's recommendation and requested that Inframark obtain a proposal for such services for consideration at its next meeting.

The Board considered authorizing Inframark 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 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.

Ms. Mouton next advised the Board that Inframark was recently contacted by a customer who has not yet received their refund check which was mailed out a short time ago. After discussion, the Board requested that Inframark wait thirty (30) days to confirm whether the check is returned as undeliverable and noted that the Board will consider whether to reissue said check at its next meeting.

After discussion, it was duly moved by Director Handal, seconded by Director Gupta and unanimously carried, that (i) Inframark be authorized to refer four (4) delinquent accounts to collections, (ii) the Board approve the proposals from LIT relative to work to be performed at the District's Dog and Family Parks, (iii) Inframark be authorized to provide the required information to districts receiving water relative to CCRs, and (iv) Inframark be authorized to prepare the CCR and SPH be authorized to review same for compliance with the TCEQ's regulatory requirements, all as discussed above. Upon inquiry from Ms. Mouton, the Board concurred that items related to (i) the proposed installation of signage at the District's Parks to address towing of prohibited vehicles, as well as those vehicles left in the parking lots overnight, and (ii) Champions' proposal for maintenance and rehabilitation of landscaping at the District's Dog Park be removed from the meeting agenda going forward.

ENVIRONMENTAL PROTECTIO 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.

RESOLUTION APPROVING SUBMITTAL OF THE WATER SMART APPLICATION FOR INCLUSION IN THE ASSOCIATION OF WATER BOARD DIRECTORS WATER SMART PARTNERS PROGRAM

Ms. Henderson presented to and reviewed with the Board a Resolution Approving Submittal of the Water Smart Application for Inclusion in the Association of Water Board Directors Water Smart Partners Program, which is attached hereto as **Exhibit K**. After discussion

on the matter, Director Battistini moved that (i) the Resolution be approved, and the President be authorized to executed and the Secretary to attest same on behalf of the Board and the District, (ii) Inframark be authorized to prepare the Water Smart Application for the District's Water Smart Partners Program membership, and (iii) Inframark be authorized to submit said Water Smart Application to the Association of Water Board Directors on behalf of the District. Director Handal seconded said motion, which unanimously carried.

DISTRICT WEBSITE AND MASS NOTIFICIATION 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 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 an insurance renewal proposal received from McDonald & Wessendorff ("McDonald"), the District's current insurance provider, for the 2025 – 2026 policy term, a copy of which is attached hereto as **Exhibit L**. After discussion on the matter, Director Haleem moved that (i) the proposal from McDonald be accepted and that the President be authorized to execute the accepted proposal on behalf of the Board and the District, (ii) the Texas Ethics Commission ("TEC") Form 1295 received from McDonald be accepted by the District and that SPH be authorized to acknowledge the District's receipt of same with the TEC, and (iii) additional check no. 10826 payable to McDonald in the total amount of \$15,746 be approved. Director Battistini seconded said motion, which unanimously carried.

ATTORNEY'S REPORT

The Board considered the attorney's report. In connection therewith, Ms. Henderson advised that the Board would enter into closed session to discuss PFAS-related class action litigation and settlements.

CLOSED SESSION

The Board entered into Closed Session at 2:30 p.m. pursuant to Texas Government Code Section 551.071, for consultation with the District's attorney regarding matters protected by attorney-client privilege. With the exception of the Board, Ms. Mouton, Ms. Henderson and Ms. Walsh, all remaining attendees exited the meeting at this time.

RECONVENE IN REGULAR SESSION

The Board reconvened in Regular Session at 2:35 p.m. Following discussion regarding PFAS-related class action settlements, Director Battistini moved that SPH be authorized to submit claims on behalf of the District under the Tyco and BASF class action settlements. Director Haleem seconded the motion, which unanimously carried.

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 Eynon moved that the meeting be adjourned. Director Battistini seconded said motion, which unanimously carried.



Secretary, Board of Directors



Table of Exhibits

- Exhibit A: Bookkeeper's Report
- Exhibit B: Draft Audit Report; draft Management Letter and management's response
- Exhibit C: Tax Assessor-Collector's Report
- Exhibit D: FBCCO Monthly Activity Reports
- Exhibit E: Engineer's Report
- Exhibit F: Resolution Adopting Prevailing Wage Rate Scale
- Exhibit G: Resolution Concerning Developed District Status for 2025 Tax Year
- Exhibit H: Detention and Drainage Facilities Report
- Exhibit I: SWMP Annual Report and Training Summary; utility bill insert
- Exhibit J: Operations and Maintenance Report; LIT Proposals
- Exhibit K: Resolution Approving Submittal of the Water Smart Application for Inclusion in the Association of Water Board Directors Water Smart Partners Program
- Exhibit L: Insurance Proposal from McDonald & Wessendorff, 2025-2026 Term