

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

Minutes of Meeting of Board of Directors

June 3, 2020

The Board of Directors ("Board") of Fort Bend County Municipal Utility District No. 35, of Fort Bend County, Texas ("District"), met on June 3, 2020, 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:

Susan Ruske, President  
Piero Battistini, Vice President  
Sergio Handal, Secretary  
Trevor Eynon, Assistant Secretary  
Steven Olsen, Assistant Secretary

all of whom participated in the meeting via telephone conference call, thus constituting a quorum.

Also attending the meeting via telephone conference call were: Erica Slater 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"); Taylor Watson of Municipal Accounts & Consulting, L.P. ("MAC"); Jeff Safe of Brown & Gay Engineers, Inc. ("BGE"); Jerry Schroeder of Champions Hydro-Lawn, Inc. ("Champions"), who joined the call later in the meeting, as noted herein; Katie May of Inframark ("Inframark"); Billy Haehnel, President of the Board of Directors of Fort Bend County Municipal Utility District No. 34, of Fort Bend County, Texas ("No. 34"); and Bryan Yeates and Melanie Walsh of Schwartz, Page & Harding, L.L.P. ("SPH").

**EXPLANATION OF TELEPHONE CONFERENCE CALL MEETING PROCEDURES AND CALL TO ORDER**

Mr. Yeates explained to the Board the procedures to be used during the telephone conference call meeting. In connection therewith, he informed the participants that the meeting would be recorded, and requested that participants clearly state his or her name before speaking, including when making or seconding a motion. Mr. Yeates further explained that he would conduct a roll call vote for all motions and that Board members should wait to vote on a motion until his or her name has been called. Similarly, Mr. Yeates stated that a full roll call of all participants would be conducted at the start of each telephone conference meeting for attendance purposes.

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 May 6, 2020. After discussion, Director Eynon moved that the minutes for said meeting be approved, as written. Director Ruske seconded said motion, which unanimously carried.

## **FORT BEND COUNTY PRECINCT THREE CONSTABLE'S OFFICE ("FBCCO") ACTIVITY REPORT**

Ms. Slater advised the Board that an FBCCO Activity Report for the month of May 2020, was not available for today's meeting. In connection with the open dayshift position, Ms. Slater reported that a new deputy is expected to be sworn in during the week.

## **DISCUSSION REGARDING ADDITIONAL SECURITY MEASURES WITHIN THE DISTRICT**

The Board considered supplemental law enforcement services and proposed additional security measures within the District. In that regard, Mr. Yeates advised the Board that the Board of Directors of No. 34 received a presentation from Flock Safety relative to the installation of motion-activated license plate readers at its meeting on May 26, 2020. The Board deferred further discussion regarding whether to consider additional security measures for the District pending the results of a survey to be conducted by Seven Meadows of its residents regarding matters of security within the neighborhood and further updates from No. 34.

## **TAX ASSESSOR-COLLECTOR REPORT**

Ms. Flores presented to and reviewed with the Board the Tax Assessor-Collector Report for the month ending May 31, 2020, a copy of which is attached hereto as **Exhibit A**. After discussion, it was moved by Director Olsen, seconded by Director Ruske 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**

Mr. Yeates 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 July.

## **REVIEW OF EVO METRICS REPORT**

The Board next considered review of the EVO Metric Report (the "EVO Report") prepared by Municipal Financial Services, LLC ("MFS") for the fiscal year ended September 30, 2019, as well as the status of its contract with MFS. In that regard, Director Olsen reported that revisions to the EVO Report have been completed by MFS. Director Olsen stated that, while the information contained in the EVO Report is valuable, he does not think the District would benefit from receiving annual EVO Reports and recommended that the Board consider terminating its contract with MFS. After discussion, it was moved by Director Olsen, seconded by Director Eynon and unanimously carried, that SPH be authorized to direct a Notice of Termination to MFS terminating its agreement with MFS.

## **BOOKKEEPER'S REPORT**

Mr. Watson presented to and reviewed with the Board the Bookkeeper's Report dated June 3, 2020, which includes a Quarterly Investment Report for the period ended March 31, 2020, a copy of which is attached hereto as **Exhibit B**. After discussion, Director Olsen moved that (i) the Bookkeeper's Report be approved and that the disbursements identified therein be approved for payment, and (ii) the Quarterly Investment Inventory Report be approved and the District's Investment Officer be authorized to execute same on behalf of the Board and the District. Director Eynon seconded said motion, which unanimously carried.

## **UNCLAIMED PROPERTY REPORT**

The Board considered approval of an Unclaimed Property Report as of March 1, 2020, and the filing of same with the Comptroller of Public Accounts of the State of Texas (the "Comptroller") prior to July 1, 2020. In connection therewith, Mr. Watson presented to and reviewed with the Board an Unclaimed Property Report dated June 2, 2020, a copy of which is attached hereto as **Exhibit C**, advising that the District has \$865.25 to escheat to the State. After discussion, Director Handal moved that MAC be authorized to file said Report with the Comptroller and escheat a balance of \$865.25 of unclaimed funds to the Comptroller prior to July 1, 2020. Director Ruske seconded said motion, which unanimously carried.

## **ENGINEER'S REPORT**

Mr. Safe presented to and reviewed with the Board a written Engineer's Report, dated June 3, 2020, 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. In connection therewith, Mr. Safe requested that the Board accept BGE's proposal in the estimated total amount of \$48,500 for preparation of specifications and bid documents relative to the proposed repair of an approximate 300-foot portion of Little Prong Creek at Fry Road utilizing the SOX erosion repair system ("Little Prong Creek Erosion Repair"), including proposed outfall repair, a copy of which is included in the Engineer's Report. He reported that said proposal was presented to and approved by No. 34's Board of Directors at its meeting on May 26, 2020. A lengthy discussion ensued regarding BGE's proposal, as well as the Board's requirement that the contract for Little Prong Creek Erosion Repair include an extended warranty period from the contractor and/or manufacturer on installation and/or materials and the various approaches to obtaining said warranty. Mr. Safe advised the Board that he will contact SOX Erosion Solutions to determine what kind of extended warranty it is willing to offer on materials it provides. After discussion, it was moved by Director Battistini, seconded by Director Handal and unanimously carried, that the Engineer's Report and all action items listed therein be approved, including concurrence in No. 34's acceptance of BGE's proposal for preparation of specifications and bid documents as detailed above.

## **LANDSCAPE ARCHITECT REPORT**

Mr. Safe presented to and reviewed with the Board a report from KGA DeForest Design, LLC dated June 3, 2020, a copy of which is attached hereto as **Exhibit E**. In connection therewith, Mr. Safe provided an update regarding the status of the contract with Republic Masonry & Fencing, LLC for the replacement of the existing fences at the District's Joint Wastewater Treatment Plant and Joint Water Plant.

**CHAMPIONS HYDRO-LAWN, INC. ("CHAMPIONS") MAINTENANCE OPERATIONS AT LITTLE PRONG CREEK**

Mr. Schroeder presented to and reviewed with the Board a Detention and Drainage Facilities Report dated June 3, 2020, prepared by Champions, for Little Prong Creek and corresponding photographs, a copy of which is attached hereto as **Exhibit F**. Following discussion, the Board noted that no action was required on its part in connection with the Detention and Drainage Facilities Report at this time.

**STORMWATER MANAGEMENT PROGRAM ("SWMP")**

The Board considered the status of the District's SWMP. Mr. Yeates advised the Board that there were no updates regarding the District's SWMP at this time.

**OPERATIONS REPORT**

Ms. May presented to and reviewed with the Board the Operations and Maintenance Report ("O&M Report") for the month of April 2020, a copy of which is attached hereto as **Exhibit G**. Ms. May reported to the Board that the District had approximately 99% 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, relative to the District's park facilities, a copy of which is attached to the O&M Report.

Ms. May next reported that Inframark completed its inspection of 234 manholes in connection with year 1 of the District's 5 year sanitary sewer televising and cleaning project and requested that the Board authorize Inframark to reseal 34 manholes for estimated total cost of \$23,800.

Director Battistini next advised Ms. May that a resident had notified him of a water leak at the District's family park. Ms. May stated that Inframark will investigate the matter and attend to any repairs that may be required.

Ms. May next reminded the Board that the District's Native Plant event originally scheduled for March 28, 2020, had been postponed due to the outbreak of COVID-19. She informed the Board that a new date has yet to be determined and requested direction from the Board. The Board requested that Inframark provide possible dates for the event to be held in September or October of this year.

The Board next considered the disposition of delinquent utility accounts during the pendency of the COVID-19 pandemic. In that regard, Ms. May inquired whether the Board desires to continue the suspension of the termination of water services and waivers of applicable penalty and interest on delinquent accounts for another month.

With regard to the submission of critical load status information to the County Office of Emergency Management, Public Utility Commission, and the Division of Emergency Management of The Governor, Ms. May advised the Board Inframark submitted the annual update to the appropriate entities in February 2020.

Director Ruske next requested that Ms. May contact the North Fort Bend Water Authority to determine whether it will implement any modification of the 2020 Larry's Toolbox Program due to COVID-19 pandemic.

After discussion, Director Ruske moved that the Board authorize Inframark to: (i) reseal 34 manholes, as detailed above; (ii) continue to suspend service disconnections and late fees or penalties incurred after the local disaster proclamation on March 12, 2020, through July 1, 2020; (iii) continue to suspend door hangers for all District customers through July 1, 2020; and (iv) continue to direct Past-Due Notifications to customers, as necessary, rather than Delinquent Notices. Director Olsen seconded said motion, which unanimously carried.

### **VOTING SYSTEM ANNUAL FILING FORM**

Mr. Yeates requested that the Board authorize SPH to complete a Voting System Annual Filing Form ("Voting Form") on behalf of the District, which will be forthcoming from the Secretary of State's Office. He advised that, pursuant to provisions of the Texas Election Code, each political subdivision in the State of Texas is required to complete and file said Voting Form with the Secretary of State's Office on an annual basis. After discussion on the Voting Form, Director Ruske moved that SPH be authorized to complete said form and that SPH be authorized to file same with the Secretary of State's Office, as required by law. Director Battistini seconded said motion, which unanimously carried.

### **RECORDS DESTRUCTION REQUEST**

Mr. Yeates reported that the District's General Records Retention Schedule adopted in connection with its Records Management Program requires that notes taken during meetings and used to prepare the official minutes of Board meetings are to be retained for ninety days after approval of such minutes by the Board. He next presented a request from the Records Management Officer, attached hereto as **Exhibit H**, for approval to destroy all such notes from February 6, 2019, to February 5, 2020. After discussion, Director Battistini moved that SPH be authorized to destroy such notes. Director Ruske seconded said motion, which carried unanimously.

### **CYBERSECURITY TRAINING**

Mr. Yeates next addressed the Board regarding annual cybersecurity training as required by Chapter 2054, Texas Government Code. He advised that the Association of Water Board Directors ("AWBD") has completed its online training webinars and is offering "on demand" training sessions going forward. He reminded the Board that SPH is recommending the training be completed by June 14, 2020, and upon completion of same, forward a copy of their Certificate of Completion to SPH for the District's files.

### **ATTORNEY'S REPORT**

The Board next considered the Attorney's Report. In connection therewith, Mr. Yeates presented to and reviewed with the Board email correspondence received from the AWBD, dated May 14, 2020, a copy of which is attached hereto as **Exhibit I**, providing updated details regarding its Summer Conference.

Mr. Haehnel left the meeting at this time.

**FUTURE AGENDA ITEMS**

The Board considered items to be placed on future agendas. In connection therewith, Ms. May requested that an item be added to the next agenda for the Board to consider an amendment to the District's professional services agreement with Inframark.

**ADJOURNMENT OF MEETING**

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

(SEAL)

/s/ Sergio Handal  
Secretary, Board of Directors

## **TABLE OF EXHIBITS**

**June 3, 2020**

- Exhibit A: Tax Assessor-Collector's Report
- Exhibit B: Bookkeeper's Report; Quarterly Investment Report
- Exhibit C: Unclaimed Property Report
- Exhibit D: Engineer's Report
- Exhibit E: Landscape Architect Report
- Exhibit F: Champions Maintenance Report
- Exhibit G: Operations and Maintenance Report;
- Exhibit H: Records Destruction Request Letter
- Exhibit I: AWBD Correspondence