

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

May 16, 2024

THE STATE OF TEXAS §

COUNTY OF MONTGOMERY COUNTY §

EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 5 §

The Board of Directors (the "Board") of East Montgomery County Municipal Utility District No. 5 (the "District") met in special session open to the public, at 1:00 p.m., on Thursday, May 16, 2024, at 9 Greenway Plaza, Suite 1000, Houston, Texas 77046, a designated meeting place outside the boundaries of the District; whereupon, the roll was called of the members of the Board of Directors, to-wit:

John Patterson	-	President
L.J. (Larry) Kijewski	-	Vice President
B. Layne Mashburn	-	Secretary
Charles L. Prause	-	Assistant Secretary
Nancy Walker	-	Assistant Secretary

All members of the Board of Directors were in attendance, except Directors Patterson and Kijewski, thus constituting a quorum.

Also in attendance were: Jeff Campbell, District resident; Lieutenant D. Jasonis of the Roman Forest Police Department; Jennifer Hannah of Forvis, LLC, Auditor for the District; Kirk Franklin of Growth Services, Inc., Maintenance Provider for the District; Michelle Giacona of H2O Innovation, Operator for the District; Justin Graham of LJA Engineering, Inc., Engineer for the District; Debra Loggins of L&S District Services, LLC, Bookkeeper for the District; and Mallory Craig, Emily Forswall, and Tara Miles of Coats|Rose, P.C. ("Coats|Rose"), the District's legal counsel.

Whereupon, the meeting was called to order at 12:04 p.m. A copy of the notice of the meeting is attached hereto as Exhibit "A."

ACCEPT RESIGNATION OF DIRECTOR KJEWSKI AND APPOINT NEW DIRECTOR

Ms. Craig stated that Director Kijewski submitted his resignation from the Board, and the Board considered appointing a replacement director. Following discussion, Director Prause moved to appoint Jeff Campbell to the Board. Director Mashburn seconded the motion, which passed unanimously.

ACCEPT SWORN STATEMENT AND OATH OF OFFICE OF NEW DIRECTOR

The Board considered accepting the Sworn Statement and Oath of Office of Jeff Campbell, copies of which are attached hereto as Exhibit "B." Following review and discussion, Director Mashburn moved to accept the Sworn Statement and Oath of Office of Jeff Campbell. Director Prause seconded the motion, which carried by unanimous vote.

REORGANIZE THE BOARD AND AMEND DISTRICT REGISTRATION FORM

Following discussion, Director Mashburn moved to appoint Jeff Campbell to the Vice President position and for all other director positions to remain the same and to approve an amended District Registration Form, reflecting the new director. Director Prause seconded the motion, which passed by unanimous vote. A copy of the District Registration Form is attached hereto as Exhibit "C."

HEAR FROM THE PUBLIC

No members of the public were present.

BOOKKEEPER'S REPORT

The Board recognized Ms. Loggins who presented the Bookkeeper's Report for the Board's review and approval along with certain checks for payment, a copy of which is attached hereto as Exhibit "D."

Ms. Loggins presented a draft of the District's Internal District budget for the fiscal year ending May 31, 2025, for approval and the Master District budget for the fiscal year ending May 31, 2025, which was approved as the last meeting. Copies of such budgets are included in the Bookkeeper's Report.

Upon a motion brought by Director Mashburn and seconded by Director Prause, the Board voted unanimously to approve the Bookkeeper's Report, payment of the bills listed therein, and the Internal District budget for the fiscal year ending May 31, 2025, as presented.

HEAR ROMAN FOREST POLICE DEPARTMENT REPORT

The Board recognized Lieutenant Jasonis who presented the Roman Forest Police Department ("RFPD") Report, a copy of which is attached hereto as Exhibit "E."

APPROVE MINUTES OF THE MEETING

The Board considered approving the minutes of the meeting held on March 25, 2024, which were previously distributed to the Board. After discussion and consideration, upon a motion made by Director Mashburn and seconded by Director Prause, the Board voted unanimously to approve the minutes of the meetings as presented.

ENGAGE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR ENDING MAY 31, 2024

The Board recognized Ms. Hannah who presented an engagement letter with Forvis, LLC, to conduct the District's audit for the fiscal year ending May 31, 2024. She said the fee to conduct the audit will be \$18,600 for the Master District and \$3,000 for the Internal District plus \$1,000 in expenses. After review and discussion, Director Mashburn moved to engage Forvis, LLC, to conduct the audit. Director Prause seconded the motion, which carried by unanimous vote. A copy of the engagement letter is attached hereto as Exhibit "F."

HEAR TAX ASSESSOR-COLLECTOR'S REPORT

The Board recognized Ms. Craig who reviewed and presented the Tax Assessor-Collector's Report, a copy of which is attached hereto as Exhibit "G." Upon a motion made by Director Prause and seconded by Director Mashburn, the Board voted unanimously to approve the Tax Assessor-Collector's Report and payment of the bills listed therein.

HEAR OPERATOR'S REPORT

The Board recognized Ms. Giacona who presented and reviewed the Operator's Reports for April and May, copies of which are attached hereto as Exhibit "H." Ms. Giacona recommended the repair of swale erosion behind water plant no. 1 in the amount of \$17,977, to be performed by a subcontractor of H2O.

Upon a motion made by Director Mashburn and seconded by Director Campbel, the Board voted unanimously to approve the Operator's Reports as presented and the action items listed therein, including the termination of service to delinquent customers in accordance with the District's Rate Order and the erosion repair in the amount of \$17,977.

Approve Consumer Confidence Report

Ms. Giacona presented the 2023 Consumer Confidence Report ("CCR"), a copy of which is attached hereto as Exhibit "I." Following review and discussion, Director Prause moved to approve the CCR. Director Mashburn seconded the motion, which carried by unanimous vote.

HEAR ENGINEER'S REPORT

The Board recognized Mr. Graham who presented the Engineer's Report, a copy of which is attached hereto as Exhibit "J," and reviewed the Board action items listed therein.

Discussion ensued regarding the construction of Water Plant No. 2, Phase 2 (the "Project"). Mr. Graham recommended that the District proceed with the Project and stated that funding for the Project is included in the Master District bond application, which is being submitted to the Texas Commission on Environmental Quality ("TCEQ") this week. He noted that payments to the contractor may be necessary prior to bond funding, which would be paid out of the District's operating fund and reimbursed by bond funds. Ms. Craig stated that East

Montgomery County Municipal Utility District Nos. 6 and 7 are funding participants for the Project.

Mr. Graham presented a Right-of-Way Instrument to Entergy Texas, Inc. (the "Easement") for the Board's consideration. A copy of the Easement is attached hereto as Exhibit "K."

Mr. Graham provided an update on the District's bond applications, noting that the Internal District bond application was submitted to the TCEQ for approval yesterday, the Master District application will be submitted to the TCEQ this week, and that LJA is working on compiling a cost summary for a road bond issue.

Mr. Graham reported that the District's surplus funds application to the TCEQ was approved, which allows the District to use surplus bond funds to complete the outfall repairs listed in the Engineer's Report. He recommended that the District proceed with the remainder of the outfall repair projects, which includes the Control Structure repair, Peach Creek South Pond slope repair, Section 24 outfall repair, and the Southwest Pocket Ditch outfall structure nos. 1, 2, and 3 repairs.

Mr. Graham reported on resident concerns regarding pedestrian access to an outfall culvert in Tavola, Section 36 and presented a proposal from Shrye Construction in the amount of \$3,607.00 for the installation of an outfall culvert guard. A copy of the proposal is attached hereto as Exhibit "L."

After review and discussion, upon a motion made by Director Mashburn and seconded by Director Prause, the Board voted unanimously to i) approve the Engineering Report and the action items listed therein, ii) approve the Easement, iii) authorize the aforementioned outfall repair projects, and iv) approve the proposal from Shrye Construction.

HEAR DETENTION/DRAINAGE MAINTENANCE REPORT

The Board recognized Mr. Franklin who reviewed the mowing and maintenance report from Growth Services, Inc., a copy of which is attached hereto as Exhibit "M." Upon a motion made by Director Mashburn and seconded by Director Prause, the Board voted unanimously to authorize GSI to proceed with the remaining outfall repair projects listed in the Engineer's Report.

HEAR DEVELOPER'S REPORT

The Board recognized Mr. Espinoza who provided an update on development in the District. No action was taken.

ATTORNEY'S REPORT

The Board recognized Ms. Craig who presented the Attorney's Report.

Ratify Approval of Resolution Authorizing Surplus Funds Application

Ms. Craig stated that the Board previously adopted a Resolution Authorizing Application to Texas Commission on Environmental Quality for Use of Surplus Funds (the "Resolution"), but such item was not on the agenda. After review and discussion, Director Mashburn moved to ratify approval of the Resolution. Director Prause seconded the motion, which carried unanimously.

Ratify Adoption of Budget for Fiscal Year Ending May 31, 2025

Ms. Craig stated that the Board adopted the Master District budget for the fiscal year ending May 31, 2025, at the prior Board meeting, but it was not on the agenda. Upon a motion made by Director Mashburn and seconded by Director Prause, the Board unanimously voted to ratify the adoption of the Master District budget for the fiscal year ending May 31, 2025.

Adopt Resolution Evidencing Review of Identity Theft Prevention Program

Ms. Craig presented a Resolution Evidencing Review of Identity Theft Prevention Program (the "Identity Theft Resolution") and reviewed letters submitted by the Tax Assessor and Operator regarding their annual reviews of the District's Identity Theft Prevention Plan, copies of which are attached hereto as Exhibit "N." Following review and discussion, Director Campbell moved to adopt the Identity Theft Resolution. Director Mashburn seconded the motion, which passed unanimously.

Adopt Resolution Nominating Candidate for Appointment to Groundwater Reduction Plan Contract Review Committee

Ms. Craig stated that the District may nominate a candidate to serve on the San Jacinto River Authority's Groundwater Reduction Plan Contract Review Committee. Following discussion, the Board concurred to take no action.

Adopt Resolution Regarding Reimbursement for Water Plant No. 2, Phase 2

Ms. Craig presented a Resolution Declaring Intent to Reimburse Expenses by the District (the "Reimbursement Resolution"), a copy of which is attached hereto as Exhibit "O," stating that the District will reimburse its operating fund for construction costs related to Water Plant No. 2, Phase 2, from future bond proceeds. Following review and discussion, Director Mashburn moved to adopt the Reimbursement Resolution. Director Campbell seconded the motion, which passed unanimously.

Approve Annexation of Tavola West Reserves Sections 1 and 3 into Tavola West Community Association

The Board considered approving the Supplementary Declaration of Covenants, Conditions and Restrictions for the Annexation of Tavola West Reserves, Sections 1 and 3 into the Tavola West Community Association (the "Supplementary Declarations"), copies of which are attached hereto as Exhibit "P." Following review and discussion,

Director Mashburn moved to authorize execution of the Joinder to the Supplementary Declarations. Director Prause seconded the motion, which carried unanimously.

There being no further business to come before the Board, upon a motion duly made and seconded, the meeting was adjourned.

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PASSED, APPROVED AND ADOPTED, this 26th day of June, 2024.



Secretary, Board of Directors

(DISTRICT SEAL)

