

**MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 94**  
**Minutes of Meeting of Board of Directors**  
**January 7, 2025**

The Board of Directors (the "Board") of Montgomery County Municipal Utility District No. 94 (the "District") met in regular session, open to the public on January 7, 2025, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted members of said Board, as follows:

Jerry Rueschhoff, President  
Roger Olsen, Secretary  
Michael Pachulio, Assistant Secretary  
Ray Waymel, Assistant Secretary

all of whom were present at the meeting with the exception of Director Pachulio, thus constituting a quorum.

Also attending the meeting were Creston Minter of H2O Innovation Operation and Maintenance, LLC ("H2O"); Jorge Diaz of McLennan & Associates, LP ("McLennan"); Barbara Nussa of Republic Services, Inc. ("Republic"); Monica Saucedo of Assessments of the Southwest, Inc. ("ASW"); Marie Newsom of Storm Water Solutions LP ("SWS"); Danae Dehoyos of Touchstone District Services, LLC ("Touchstone"); Sergeant Ronny Glaze of the Montgomery County Constable's Office ("MCCO"); Grady Turner and Jeffrey Bishop of Quiddity Engineering, LLC ("Quiddity"); John Thomas ("JT") Dibble, resident of the District; and Eric Lai and Kris Eddlemon 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 the Board.

**PUBLIC COMMENTS**

There were no comments from the public at this time.

**MINUTES OF MEETING(S)**

The Board next considered approval of the minutes of the Board meeting held December 3, 2024. After discussion, it was moved by Director Rueschhoff that the minutes of the Board meeting held on December 3, 2024, be approved, as written. Director Olsen seconded the motion, which unanimously carried. The Board requested that, going forward, an entry be included at the end of each set of minutes that lists the non-recurring action items to be addressed from that particular meeting and the parties responsible for them.

## **APPOINTMENT OF NEW DIRECTOR**

The Board next considered the appointment of a new director to fill the vacancy on the Board of Directors created by the resignation of John Kessler. After discussion on the matter, Director Olsen moved that Mr. Dibble be appointed as a member of the Board of the District to fill the unexpired term of John Kessler. Director Rueschhoff seconded said motion, which carried unanimously.

## **QUALIFICATION STATEMENT, OFFICIAL BOND, OATH OF OFFICE, AND AFFIDAVIT OF CURRENT DIRECTOR**

The Board next considered acceptance of the Qualification Statement, Official Bond, Oath of Office, and Affidavit of Current Director for Director Dibble. In that regard, Director Dibble presented his Qualification Statement, Official Bond, and Affidavit of Current Director, and took his Oath of Office. It was then moved by Director Olsen, seconded by Director Rueschhoff and unanimously carried that the Board accept said Qualification Statement, Official Bond, Oath of Office, and Affidavit of Current Director and declare John Thomas ("JT") Dibble to be a duly appointed and qualified director of the District. Director Dibble then participated in the remainder of the meeting.

## **ELECTION NOT TO DISCLOSE CERTAIN INFORMATION**

The Board considered the acceptance of an Election Not to Disclose Certain Information from Director Dibble. In that regard, Director Dibble presented his Election Not to Disclose Certain Information. After discussion on the matter, it was moved by Director Olsen, seconded by Director Rueschhoff and unanimously carried, that the Board approve said Election Not to Disclose Certain Information.

## **ELECTION OF OFFICERS**

The next item to be considered was the reorganization of the Board and election of officers. The Board called for a nomination for the office of Vice President. After discussion, Director Roger Olsen was nominated for that office. A vote was called, and upon motion duly made by Director Olsen, seconded by Director Rueschhoff and unanimously carried, Director Olsen was duly elected Vice President of the Board and District.

The Board then called for a nomination for the office of Secretary. After discussion, Director Waymel was nominated for that office. A vote was called, and upon motion duly made by Director Olsen, seconded by Director Rueschhoff and unanimously carried, Director Waymel was duly elected Secretary of the Board and District.

The Board then called for a nomination for the office of Assistant Secretary. After discussion, Director Dibble was nominated for that office. A vote was called, and upon motion duly made by Director Olsen, seconded by Director Rueschhoff and unanimously carried, Director Dibble was duly elected Assistant Secretary of the Board and District.

## **DISTRICT REGISTRATION FORM**

The Board next considered authorizing the preparation and filing of a new District Registration Form, as required by the rules of the Texas Commission on Environmental Quality ("TCEQ"). Mr. Lai explained that, in accordance with certain provisions of the Texas Water Code, municipal utility districts are required to file the names, mailing addresses, officer positions and terms of new directors with the TCEQ within thirty days (30) after an election or appointment. He advised that with the Board's approval, SPH will prepare an updated District Registration Form and will file same with the TCEQ. After discussion of the matter, Director Olsen moved that the Board authorize SPH to complete the District Registration Form and file same with the TCEQ. Director Rueschhoff seconded said motion, which unanimously carried.

## **PREPARATION AND MAINTENANCE OF LOCAL GOVERNMENT OFFICERS LIST**

Mr. Lai advised the Board that, pursuant to Chapter 176 of the Texas Local Government Code, the District is required to maintain a list of Local Government Officers, which includes the members of the Board and the District's Investment Officers, in connection with conflict of interest disclosure requirements. After discussion on the matter, Director Olsen moved that the District update its list of local government officers as required by law. Director Rueschhoff seconded said motion, which unanimously carried.

## **DIRECTOR TRAINING REQUIREMENTS**

Mr. Lai discussed with Director Dibble the training requirements for public officials. He advised that public officials, including directors of a municipal utility district, must complete separate training courses regarding the Texas Open Meetings Act ("OMA") and the Texas Public Information Act ("PIA"). Mr. Lai advised the Board that Director Dibble had been provided with a Memorandum prepared by SPH which summarizes the training requirements. He advised that the deadline for public officials to complete their training is the 90th day after they either take their oath of office or otherwise assume their responsibilities as a public official. He noted that the Texas Attorney General has prepared an online course which satisfies the training requirements for both the OMA and PIA. Mr. Lai further noted that it is the responsibility of Director Dibble to ensure that he completes the training prior to the deadline.

## **DISCUSSION OF CONFLICTS DISCLOSURE REPORTING REQUIREMENTS**

Mr. Lai next advised the Board that Director Dibble had also been provided with a Memorandum prepared by SPH and a questionnaire regarding conflict of interest disclosure reporting and discussed same. Mr. Lai further advised that Director Dibble has completed the conflict of interest questionnaire.

## **REPORT FROM THE MONTGOMERY COUNTY CONSTABLE'S OFFICE REGARDING SECURITY**

Sergeant Glaze next presented and reviewed a security report provided by the MCCO's office for the month of December 2024, a copy of which report is attached hereto as **Exhibit A**.

He addressed the Board regarding the new video equipment for deputies and related expenses, and advised that the equipment is scheduled to be installed during the first week of February. Sergeant Glaze noted that the District will receive a credit once the current video equipment has been sold.

The Board requested that MCCO monitor and patrol the area behind Cardinal Park at night.

Sergeant Glaze exited the meeting at this time.

### **BOOKKEEPER'S REPORT**

Mr. Diaz next presented and reviewed a written Bookkeeper's Report dated January 7, 2025, including the District's Investment Report for the month of December 2024, copies of which are attached hereto as **Exhibit B**. Following discussion, it was moved by Director Waymel that the Board (i) approve the Bookkeeper's Report and Investment Report, and (ii) authorize the District's Investment Officer to execute the Investment Report on behalf of the Board and the District. Director Olsen seconded the motion, which carried unanimously.

### **REPUBLIC SERVICES, INC.**

Ms. Nussa addressed the Board on behalf of Republic and presented a verbal report. No action was taken by the Board at this time.

### **STORMWATER MANAGEMENT PROGRAM AND DRAINAGE FACILITIES REPORT**

Ms. Newsom then presented and reviewed a Drainage Facilities Report provided by SWS, a copy of which is attached hereto as **Exhibit C**. She advised that a void is forming around the inlet depicted on page seven (7) of the report, and that SWS will provide a proposal to repair the void at the next meeting.

Ms. Newsom next advised that Trees by Frank agreed to remove the trees and debris from the areas discussed at the previous meeting.

### **TAX ASSESSOR/COLLECTOR'S REPORT**

Ms. Saucedo then presented and reviewed the Tax Assessor/Collector's Report for the month of December 2024, including a delinquent account listing as of January 1, 2025, copies of which are attached hereto as **Exhibit D**. After discussion, it was moved by Director Olsen that the Tax Assessor/Collector's Report be approved and the disbursements identified therein be approved for payment. Director Waymel seconded the motion, which carried unanimously. The Board requested that Ms. Saucedo provide more details with regard to the letter from the Bank of New York Mellon included as part of the Tax Assessor/Collector's Report.

## **DELINQUENT TAX REPORT**

Mr. Lai reminded the Board that the District's delinquent tax attorneys, Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue"), provide written reports on a quarterly basis, and advised that no report was received for today's meeting. It was noted that, at the previous meeting, the Board inquired as to whether certain accounts listed on the delinquent tax report could be written off. Following discussion, Director Olsen moved that Perdue be authorized to write off the personal property accounts listed as numbers 5 and 6 on the report dated December 3, 2024. Director Waymel seconded the motion, which unanimously carried.

## **EXEMPTIONS FROM TAXATION**

Mr. Lai outlined for the Board the various tax exemptions available for the District, including the exemptions provided for by the Texas Constitution and the Texas Tax Code, as amended. He 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 further discussion of the matter, Director Rueschhoff moved that the District (a) not grant the residential homestead exemption, and (b) grant an exemption for persons under a disability or sixty-five years of age or older in the amount of \$10,000 from ad valorem taxes levied by the District during the calendar year 2025, and that the Resolution relative to same, attached hereto as **Exhibit E**, be approved and adopted by the Board and the District. Director Olsen seconded said motion, which carried unanimously.

## **ADDITIONAL PENALTY ON DELINQUENT PERSONAL PROPERTY TAXES**

The Board considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes, attached hereto as **Exhibit F**. Mr. Lai advised that the Board is authorized pursuant to 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 Rueschhoff, seconded by Director Olsen and unanimously carried, that the Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes be adopted by the Board.

Ms. Saucedo exited the meeting at this time.

## **OPERATIONS REPORT**

The Board next considered the Operations Report. Mr. Minter presented a written report prepared by H2O, a copy of which is attached hereto as **Exhibit G**, and reviewed same with the Board. Mr. Minter reported with regard to an appeal of District charges received from customer account no. 42807. He advised that the customer received two (2) high bills and has requested an adjustment to their account and/or a payment plan. After discussion on the matter and consideration of the relevant facts and circumstances, Director Rueschhoff moved that H2O be authorized to provide the customer with a six (6) month payment plan. Director Waymel seconded the motion, which unanimously carried.

Mr. Minter next presented and reviewed a proposal, a copy of which is attached to the Operations Report, in the amount of \$9,502 provided by Crown Hydrant Services to repair fire hydrants located within the District. Following discussion, Director Rueschhoff moved that the Board approve the proposal, as presented. Director Waymel seconded the motion, which unanimously carried.

Mr. Minter next advised that the sinkhole located at Haylie Hollow Court has been repaired.

Director Dibble next advised that the meter box located near 2002 Jillian Oaks Court has been damaged. Mr. Minter advised that H2O will inspect the meter box and replace it, as necessary.

Mr. Minter reminded the Board that, at the previous meeting, he reported that a resident with an above-ground pool has two (2) drainage pipes coming out of their backyard and draining into the District's facilities. He advised that attempts to make contact with the resident have been unsuccessful. Following discussion, Director Rueschhoff moved that SPH be authorized to prepare and send a letter to the resident with regard to what appears to be an unauthorized connection. Director Waymel seconded the motion, which unanimously carried.

Ms. Nussa exited the meeting at this time.

## **ENGINEER'S REPORT**

Mr. Bishop next presented to the Board a written Engineer's Report, dated December 31, 2024, a copy of which report is attached hereto as **Exhibit H**, relative to the status of various projects within the District. With regard to the recoating of Ground Storage Tank No. 1 by CFG Industries, LLC ("CFG"), Mr. Bishop advised that Quiddity recently identified two (2) additional areas that need coating. He advised that a Change Order for this work is expected not to exceed \$10,000. Following discussion, Director Olsen moved that the Board approve a Change Order to the contract with CFG for the additional re-coating, in an amount not to exceed \$10,000. Director Rueschhoff seconded the motion, which unanimously carried.

## **STATUS OF CONSTRUCTION OF NEW CONCRETE WASTEWATER TREATMENT PLANT**

Mr. Bishop next addressed the Board and provided an update concerning the status of construction of the new concrete wastewater treatment plant (the "Project") by Montgomery County Municipal Utility District No. 119 ("No. 119") on behalf of itself and the District. He reminded the Board that its next installment payment to No. 119 for the Project is now due. Following discussion, Director Olsen moved that the payment be made by the District to No. 119 in the amount of \$2,420,273, as scheduled. Director Rueschhoff seconded the motion, which unanimously carried.

## **EMERGENCY WATER SUPPLY CONTRACT WITH NO. 119**

The Board next considered the status of billing and No. 119's payment for recent water usage pursuant to the Emergency Water Supply Contract between the District and No. 119. Mr. Minter advised that payment by No. 119 to the District is pending. No action was taken by the Board at this time.

## **SPRING TRAILS COMMUNITY ASSOCIATION (THE "ASSOCIATION") CONSTRUCTION PROJECTS WITHIN DISTRICT PROPERTY; ASSOCIATION AND/OR RESIDENT COMMUNICATIONS**

The Board next considered the approval and/or status of any Association related construction or maintenance projects within District property and resident communications concerning maintenance. Mr. Lai advised that SPH is in the process of preparing a standard policy establishing criteria for tree removal from District maintained property, as well as a form of agreement in connection with same. No action was taken by the Board at this time.

It was next noted that the bird watching sanctuary project within the District completed by an Eagle Scout has not been properly maintained and is in a state of disrepair. Following discussion, the Board deferred taking action pending its further inspection of the area.

## **TOUCHSTONE DISTRICT SERVICES**

The Board next discussed the status of the District's website. In that regard, Ms. Dehoyos presented and reviewed a Communications Meeting Report prepared by Touchstone, a copy of which is attached hereto as **Exhibit I**. No action was taken by the Board at this time.

## **WORKSHOPS AND/OR PROFESSIONAL DEVELOPMENT PROGRAM**

A discussion ensued regarding the District's Professional Development Program workshops. It was noted that Director Olsen will assume responsibility for scheduling these workshops on a going forward basis. Director Olsen discussed a proposed schedule of workshops and tours of facilities. He advised that he will coordinate scheduling of a training to be conducted by SPH. No action was taken by the Board at this time.

Ms. Dehoyos and Ms. Newsom exited the meeting at this time.

**TEXAS COMPTROLLER OF PUBLIC ACCOUNTS FOR INCLUSION IN THE SPECIAL PURPOSE DISTRICT PUBLIC INFORMATION DATABASE**

Mr. Lai next informed the Board that, pursuant to provisions of Chapter 403, Government Code, and Chapter 203, Local Government Code, the District is required to submit information to the Texas Comptroller of Public Accounts (the "Comptroller") for inclusion in the Special Purpose District Public Information Database. Following discussion, Director Waymel moved that the District's auditor, McCall Gibson Swedlund Barfoot Ellis, PLLC, be authorized to prepare the required information and submit same to the Comptroller for inclusion in the Special Purpose District Public Information Database. Director Olsen seconded the motion, which unanimously carried.

**RENEWAL OF DISTRICT INSURANCE POLICIES**

The Board next considered authorizing solicitation of proposals for renewal of the District's insurance policies. Mr. Lai advised the Board that the District's current policies are provided through McDonald and Wessendorff and will expire on March 31, 2025. Following discussion, Director Rueschhoff moved that SPH be authorized to solicit a proposal for renewal of the District's insurance coverage from McDonald Wessendorff, for review and consideration by the Board at its next meeting. Director Olsen seconded the motion, which unanimously carried.

**ORDER ESTABLISHING POLICY FOR COVERED APPLICATIONS AND PROHIBITED TECHNOLOGY**

The Board considered the adoption of an Order Establishing Policy for Covered Applications and Prohibited Technology ("Technology Policy"), a copy of which is attached hereto as **Exhibit J**. Mr. Lai advised that Senate Bill 1893, as passed during the 88<sup>th</sup> 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. He 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. Mr. Lai 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 Rueschhoff moved that the Technology Policy be adopted, and that the President and Secretary be authorized to execute the same. Director Olsen seconded said motion, which unanimously carried.

**ATTORNEY'S REPORT**

The Board next considered the attorney's report. Mr. Lai advised that he had nothing to report regarding legal matters other than those items which were previously addressed in the meeting.



## **EXECUTIVE SESSION**

The President announced that the Board was entering into executive session pursuant to Texas Government Code Section 551.171 at 2:24 p.m., concerning item 23(b) on the agenda. At this time all those present, with the exception of the Board, Mr. Lai, and Ms. Eddlemon, exited the meeting.

At 3:34 p.m., the President announced that the Board would reconvene in Open Session. Upon motion made by Director Dibble, seconded by Director Rueschhoff and unanimously carried, the Board authorized Directors Olsen and Waymel to meet with two (2) representatives of the Association to discuss resolution of the Association's unauthorized construction of a building currently located on District property.

## **FUTURE AGENDA ITEMS**

The Board next considered additional items for placement on future agendas. No specific agenda items, other than routine and ongoing matters, were requested.

## **ADJOURN**

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

  
Secretary  
Board of Directors

## **LIST OF NON-RECURRING ACTION ITEMS FOR NEXT MEETING**

1. Preparation of proposal to repair void at drainage facility inlet – SWS
2. Provide explanation of letter from BNY Mellon included with January tax report – ASW
3. Write letter to resident regarding potential unauthorized connection to District's drainage system – SPH
4. Inspection of condition of bird sanctuary area and provide recommendations for current facilities located there - Board

**LIST OF EXHIBITS**

EXHIBIT A	Security Report
EXHIBIT B	Bookkeeper's Report
EXHIBIT C	Drainage Facilities Report
EXHIBIT D	Tax Assessor/Collector's Report
EXHIBIT E	Resolution Concerning Exemptions From Taxation
EXHIBIT F	Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes
EXHIBIT G	Operations Report
EXHIBIT H	Engineer's Report
EXHIBIT I	Communications Meeting Report
EXHIBIT J	Order Establishing Policy for Covered Applications and Prohibited Technology