

MINUTES
CINCO MUNICIPAL UTILITY DISTRICT NO. 3

January 18, 2024

The Board of Directors (the "Board") of Cinco Municipal Utility District No. 3 (the "District") met in regular session, open to the public, on the 18th day of January, 2024, at the offices of Inframark Water & Infrastructure Services, 2002 West Grand Parkway North, Suite 100, Katy, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Linda Larvin	President
Christina Och	Vice President
Kent Fahey	Secretary
Mark Canady	Assistant Secretary
Douglas Schroeder	Assistant Vice President

and all of the above were present except Director Och, thus constituting a quorum.

Also attending the meeting were Jennifer Hanna of FORVIS LLC; Hussain Ali of District Data Services, Inc.; Ashlie Whittemore of Wheeler & Associates, Inc.; Robert Miller of Inframark Water & Infrastructure Services; and Greer Pagan and Kathryn Blanton of Allen Boone Humphries Robinson LLP.

COMMENTS FROM THE PUBLIC AND FUTURE AGENDA ITEMS

There were no public comments.

APPROVE MINUTES

The Board considered approving the minutes of the December 21, 2023, regular meeting. Following review and discussion, Director Fahey moved that the minutes be approved, as submitted. Director Canady seconded the motion, which passed unanimously.

2024 DIRECTORS ELECTION

Mr. Pagan discussed procedures related to the 2024 Directors Election. He reviewed a Resolution Designating an Agent of the Secretary of the Board of Directors During the 2024 Directors Election Period.

Mr. Pagan reported on requirements to post a Notice of Deadline to File Applications for Place on the Ballot (the "Notice of Deadline") for the 2024 Directors Election.

Mr. Pagan stated that the District may contract with Fort Bend County (the "County") to conduct the District's 2024 Directors Election, if necessary.

Mr. Pagan reviewed an Order Calling Directors Election (the "Order Calling").

Mr. Pagan discussed that Notice of Election may be required to be posted or published and provided to the County Clerk and Voter Registrar of Fort Bend County.

Following review and discussion, Director Fahey moved to (1) adopt a Resolution Designating an Agent of the Secretary of the Board of Directors Board During the 2024 Directors Election Period appointing Kathryn Blanton as the agent of the Secretary of the Board of Directors to perform the duties of the District's Directors Election, authorize the agent to post the related notice as required, and direct that the Resolution be filed appropriately and retained in the District's official records; (2) authorize the Secretary's agent to post the Notice of Deadline, as required; (3) contract with the County to administer the District's election, if necessary; (4) adopt the Order Calling and direct that it be filed appropriately and retained in the District's official records; and (5) authorize the Secretary's agent to post or publish and provide to the County Clerk and Voter Registrar Notice of Election, if required, and to direct that the Notice be filed appropriately and retained in the District's official records. Director Schroeder seconded the motion, which passed unanimously.

DISCUSS SIDEWALK IMPROVEMENTS ON MASON ROAD

There was no discussion on this agenda item.

GARBAGE AND RECYCLING MATTERS

There was no discussion on this agenda item.

APPROVE AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2023

Ms. Hanna reviewed the District's audit for fiscal year end September 30, 2023. Following review and discussion, Director Fahey moved to approve the District's audit for fiscal year end September 30, 2023, subject to final review. Director Canady seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Ali presented and reviewed the bookkeeper's report and payment of the bills, a copy of which is attached.

In accordance with the District's Investment Policy, the Board considered the annual disclosure statements of the District's bookkeeper and investment officer. Mr. Pagan explained that the statements disclose any relationships with entities or

individuals who are offering, have offered, or may offer to engage in an investment transaction with the District, and the disclosure statements will be filed with the Texas Ethics Commission and the District.

Following review and discussion, Director Schroeder moved to (1) approve the bookkeeper's report and payment of the bills; and (2) accept the disclosure statements as presented and to authorize they be filed appropriately. Director Fahey seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Whittemore presented and reviewed the tax assessor/collector's report and delinquent tax roll with the Board, copies of which are attached. Following review and discussion, Director Fahey moved to approve the tax assessor/collector's report including payment of the tax bills. Director Canady seconded the motion, which passed unanimously.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Mr. Pagan reported on the District's compliance activities during the prior calendar year related to bond financings. He stated that no corrective action is required at this time.

OPERATION OF DISTRICT FACILITIES/TERMINATION OF SERVICE

Mr. Miller presented and reviewed the operator's report, a copy of which is attached. He discussed operation, maintenance, and repairs of District facilities. He stated that the water accountability for the previous month was 96%.

Mr. Miller requested authorization to send one uncollectible account totaling \$284.58 to a collection agency. He noted that there are zero write-offs for the month.

Mr. Miller presented a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment.

Following review and discussion, Director Fahey moved to (1) approve the operator's report; (2) authorize the operator to send one uncollectible account totaling \$284.58 to a collection agency; (3) authorize termination of delinquent accounts in accordance with the District's Rate Order; and (4) direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Schroeder seconded the motion, which passed unanimously.

ENGINEERING MATTERS

There was no discussion on this agenda item.

DISTRICT WEBSITE MATTERS

There was no discussion on this agenda item.

NORTH FORT BEND WATER AUTHORITY ("NFBWA") MATTERS

The Board considered adopting a Resolution Nominating a Candidate to Serve as Director on the Board of Directors of the North Fort Bend Water Authority Director Precinct No. 5 (the "Resolution").

Mr. Miller requested the Board approve completion and submittal of Water Usage Reporting Form to the NFBWA. Following discussion, Director Fahey moved to (1) adopt the Resolution nominating Robert Patton; and (2) approve completion and submittal of Water Usage Report Form to the NFBWA. Director Schroeder seconded the motion, which passed unanimously.

CINCO MUNICIPAL UTILITY DISTRICT NO. 1 MATTERS

There was no discussion on this agenda item.

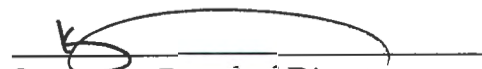
WILLOW FORK DRAINAGE DISTRICT MATTERS

There was no discussion on this agenda item.

There being no further business to come before the Board, the meeting was adjourned.

(SEAL)




Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Bookkeeper's report.....	2
Tax assessor/collector's report	3
Operator's report.....	3