

MINUTES
CINCO MUNICIPAL UTILITY DISTRICT NO. 3

February 15, 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 15th day of February, 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 Angela Riley of District Data Services, Inc.; Ashlie Whittimore 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 January 18, 2024, regular meeting. Following review and discussion, Director Schroeder moved that the minutes be approved, as submitted. Director Fahey 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.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Riley presented and reviewed the bookkeeper's report and payment of the bills, a copy of which is attached. She requested the Board approve payment of additional check no. 6191 in the amount of \$11,245.80, payable to Texas Pride Disposal.

Following review and discussion, Director Fahey moved to approve the bookkeeper's report and payment of the bills, including the additional check, as detailed above. Director Canady seconded the motion, which passed unanimously.

ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") CONFERENCES

The Board discussed the AWBD winter conference. The Board then considered authorizing attendance at the summer conference. After discussion, Director Fahey moved to approve reimbursement of all eligible expenses for Directors who attended the winter conference, which the bookkeeper confirmed were submitted in accordance with the District's guidelines, and to authorize attendance of any interested Directors at the summer conference. Director Canady seconded the motion, which passed unanimously.

APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME IN ACCORDANCE WITH THE DISTRICT'S CONTINUING DISCLOSURE OF INFORMATION AGREEMENT AND AS REQUIRED BY SEC RULE 15C2-12

Mr. Pagan distributed and reviewed with the Board the District's Annual Report to be filed in accordance with the continuing disclosure provisions contained in the District's bond resolutions. He stated that the District is required to file certain updated financial and operating data with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access System ("EMMA"). After review and discussion, Director Fahey moved to (1) approve the Annual Report; (2) authorize filing of the Annual Report through EMMA in accordance with the District's continuing disclosure agreements and pursuant to SEC Rule 15c2-12; and (3) direct that the report be filed appropriately and retained in the District's official records. Director Schroeder seconded the motion, which passed unanimously.

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance.

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 Schroeder seconded the motion, which passed unanimously.

ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Mr. Pagan discussed the Resolution Concerning Exemptions from Taxation with the Board. After review and discussion, Director Schroeder moved to adopt the Resolution Concerning Exemptions from Taxation, granting a \$40,000 exemption for residents 65+ years or older or disabled and rejecting all other exemptions. Director Fahey seconded the motion, which passed unanimously.

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 97%.

Mr. Miller requested authorization to send one uncollectible account totaling \$141.03 to a collection agency. He noted that there are zero write-offs for the month.

Mr. Miller discussed correspondence from a resident regarding a request for a leak adjustment.

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 \$141.03 to a collection agency; (3) authorize the operation to adjust the resident's high water usage bill to the lowest tier rate; (4) authorize termination of delinquent accounts in accordance with the District's Rate Order; and (5) 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, INCLUDING PHASE II MS4 PERMITTING MATTERS

The Board reviewed the Phase II MS4 Year 5 Annual Report due to the Texas Commission on Environmental Quality by April 24, 2024. Following review and discussion, Director Fahey moved to approve the submittal of the Phase II MS4 Year 5 Annual Report. Director Schroeder seconded the motion, which passed unanimously.

DISTRICT WEBSITE MATTERS

There was no discussion on this agenda item.

NORTH FORT BEND WATER AUTHORITY MATTERS

There was no discussion on this agenda item.

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

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