

# DRAFT

## MINUTES CINCO MUNICIPAL UTILITY DISTRICT NO. 3

July 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 July, 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 Directors Fahey and Schroeder, thus constituting a quorum.

Also attending the meeting were Angela Riley of District Data Services, Inc. (“DDS”); Ashlie Whittemore of Wheeler & Associates, Inc.; Dorothy Lavine and Chad Buckley 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 June 20, 2024, regular meeting. Following review and discussion, Director Och moved that the minutes be approved, as submitted. Director Canady 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 Board authorization for additional check no. 6263 in the amount of \$73,966.35, payable to Cinco Municipal Utility District No. 1. Following review and discussion, Director Och 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.

## AMENDED BOOKKEEPING CONTRACT

Ms. Riley reviewed an Amended and Restated Agreement for Bookkeeping Services with DDS ("Amended and Restated Agreement"). Following review and discussion, Director Och moved to approve the Amended and Restated Agreement, subject to final review. Director Canady 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. She requested Board authorization for additional check no. 5159 in the amount of \$3,623.64, payable to Fort Bend Central Appraisal District. Following review and discussion, Director Och moved to approve the tax assessor/collector's report including payment of the tax bills, including the additional check as detailed above. Director Canady seconded the motion, which passed unanimously.

## ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2024 TAX YEAR

The Board considered the District's 2024 tax rate. Mr. Pagan discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. He reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

Discussion ensued regarding the District's development status. Following review and discussion, Director Och moved to adopt a Resolution Regarding Development Status for 2024 Tax Year establishing the District as a Developed District for the 2024 tax year, pursuant to Section 49.23602 Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Canady seconded the motion, which passed unanimously.

## OPERATION OF DISTRICT FACILITIES/TERMINATION OF SERVICE

Mr. Buckley presented and reviewed the operator's report, a copy of which is attached. She discussed operation, maintenance, and repairs of District facilities. She stated that the water accountability for the previous month was 102%.

Mr. Buckley reviewed the North Fort Bend Water Authority 2024 Water Conservation Program initiatives.

Mr. Buckley discussed Inframark records retention and requested Board authorization to dispose of obsolete records.

Mr. Buckley 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 Och moved to (1) approve the operator's report; (2) authorize Inframark to dispose of obsolete records, as discussed; (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 Canady 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 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.

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

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Secretary, Board of Directors

(SEAL)

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