

# DRAFT

## MINUTES CINCO MUNICIPAL UTILITY DISTRICT NO. 3

October 21, 2021

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 21st day of October, 2021, 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
Douglas Schroeder	Secretary
Kent Fahey	Assistant Secretary
Allison Bognar	Assistant Vice President

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

Also attending the in person or by teleconference meeting were Patty Hurtado, a resident of the District; Katie and Mark Canady, residents of the District; Rene Andel of Wheeler & Associates, Inc. ("Wheeler"); Lynnette Tujague of District Data Services, Inc. ("DDS"); Robert Miller and Clay Brandenberg of Inframark Water & Infrastructure Services ("Inframark"); and Greer Pagan and Lelia Pappas of Allen Boone Humphries Robinson LLP ("ABHR").

### APPROVE MINUTES

The Board considered approving the minutes of the September 16, 2021, regular meeting. After review and discussion, Director Schroeder moved that the minutes be approved, as submitted. The motion was seconded by Director Fahey and passed unanimously.

### COMMENTS FROM THE PUBLIC AND FUTURE AGENDA ITEMS

Ms. Hurtado and Ms. Canady discussed a proposal, a copy of which is attached, from the Kelliwood Terrace Homeowners Association for updates to the park at Kelliwood Terrace including, playground equipment, chairs, benches, garbage receptacles, and mulch for a total cost of \$101,800 and requested a donation from the District in the amount of \$50,900.

### DISCUSS SIDEWALK IMPROVEMENTS ON MASON ROAD

There was no discussion on this agenda item.

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## GARBAGE AND RECYCLING MATTERS

The Board discussed service issues with Texas Pride Disposal.

## FINANCIAL AND BOOKKEEPING MATTERS

Ms. Tujague presented and reviewed the bookkeeper's report, a copy of which is attached, and the bills presented for payment.

After review and discussion, Director Schroeder moved to approve the bookkeeper's report and payment of the bills. The motion was seconded by Director Och and passed unanimously.

The Board reviewed the District's Investment Policy to determine if any amendments were necessary and considered adopting a Resolution Regarding Annual Review of Investment Policy. The Board determined to make no amendments at this time.

The Board reviewed a list of qualified broker/dealers with whom the District may engage in investment transactions and considered adopting a Resolution Establishing the Authorized Depository Institutions and Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions.

After review and discussion, Director Och moved to (1) approve a Resolution Regarding Annual Review of Investment Policy reflecting no changes to the current policy and direct that the Resolution be filed appropriately and retained in the District's official records; and (2) adopt a Resolution Establishing the Authorized Depository Institutions and Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions and direct that the Resolution be filed appropriately and retained in the District's official records. Director Fahey seconded the motion, which passed unanimously.

## TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Andel presented and reviewed the tax assessor/collector's report and delinquent tax roll with the Board, copies of which are attached. After review and discussion, Director Schroeder moved to approve the tax assessor/collector's report. The motion was seconded by Director Fahey and passed unanimously.

## CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Andel stated that Wheeler published the required Notice of Public Hearing stating the District anticipates levying a \$0.345 tax rate at this meeting.

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The Board opened the public hearing. No members of the public came forward to make comments. The Board closed the public hearing. Discussion ensued regarding the 2021 tax rate.

Based on the Board's discussion, Mr. Pagan presented to the Board an Order Levying Taxes (the "Order") for a \$0.345 tax rate, comprised of \$0.12 for debt service, \$0.13 for contract tax, and \$0.095 for maintenance and operations. Mr. Pagan also presented an Amendment to Information Form (the "Amendment") reflecting the tax rate, as discussed.

After review and discussion, Director Fahey moved to (1) adopt the Order, as presented; (2) authorize execution of the Amendment; and (3) direct that the Order and Amendment be filed appropriately and retained in the District's official records. Director Och seconded the motion, which passed by unanimous vote.

## 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 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.

After review and discussion, Director Och moved to (1) approve the operator's report; and (2) authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. The motion was seconded by Director Fahey and passed unanimously.

## APPROVE EMERGENCY RESPONSE PLAN AND FILING OF CERTIFICATION OF SAME WITH THE ENVIRONMENTAL PROTECTION AGENCY

There was no discussion on this agenda item.

## ENGINEER'S REPORT, INCLUDING PHASE II MS4 PERMITTING MATTERS

There was no discussion on this agenda item.

## DISTRICT WEBSITE MATTERS

The Board reviewed a website analytics report from Off Cinco, a copy of which is attached.

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## ADOPT RESOLUTION VOTING FOR DIRECTOR FOR BOARD OF DIRECTOR ELECTION FOR FORT BEND CENTRAL APPRAISAL DISTRICT

The Board took no action 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.

## OPERATION OF DISTRICT FACILITIES CONTINUED

Mr. Miller discussed legislative changes to Section 182.052, Utilities Code, relating to confidentiality of certain personal and billing information of utility customers. He said such information must be kept confidential, with certain exceptions, unless the customer requests disclosure. He then discussed the requirement for the District to provide notice of the customer's right to request disclosure, along with a request form, by including the notice and form with the utility bills sent to customers.

## CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.089, TEXAS GOVERNMENT CODE, TO DELIBERATE SECURITY ASSESSMENTS OR DEPLOYMENTS RELATING TO INFORMATION RESOURCES TECHNOLOGY, CERTAIN NETWORK SECURITY INFORMATION, OR THE DEPLOYMENT OR IMPLEMENTATION OF SECURITY PERSONNEL, CRITICAL INFRASTRUCTURE, OR SECURITY DEVICES

The Board did not convene in executive session.

## RECONVENE IN OPEN SESSION AND AUTHROIZE APPROPRIATE ACTION REGARDING SECURITY ASSESSMENTS OR DEPLOYMENTS RELATING TO INFORMATION RESOURCES TECHNOLOGY, CERTAIN NETWORK SECURITY INFORMATION, OR THE DEPLOYMENT OR IMPLEMENTATION OF SECURITY PERSONNEL, CRITICAL INFRASTRUCTURE, OR SECURITY DEVICES

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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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