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MINUTES CINCO MUNICIPAL UTILITY DISTRICT NO. 3

December 21, 2023

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 December, 2023, 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 Schroeder, thus constituting a quorum.

Also attending the meeting were Hussian Ali of District Data Services, Inc.; Ashlie Whittemore of Wheeler & Associates, Inc.; Robert Miller of Inframark Water & Infrastructure Services; and Greer Pagan and Franky Wallace of Allen Boone Humphries Robinson LLP ("ABHR").

COMMENTS FROM THE PUBLIC AND FUTURE AGENDA ITEMS

There were no public comments.

APPROVE MINUTES

The Board considered approving the minutes of the November 16, 2023, regular meeting. After review and discussion, Director Fahey moved that the minutes be approved, as submitted. Director Och seconded the motion, which passed unanimously.

DISCUSS SIDEWALK IMPROVEMENTS ON MASON ROAD AND APPROVE INTERLOCAL AGREEMENT WITH WILLOW FORK DRAINAGE DISTRICT

Mr. Pagan discussed the proposed Interlocal Agreement with Willow Fork Drainage District for sidewalk improvements on Mason Road. Following review and discussion, Director Och moved to approve the Interlocal Agreement with Willow Fork Drainage District, subject to finalization. Director Fahey seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING MATTERS

There was no discussion on this agenda item.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Ali presented and reviewed the bookkeeper's report and payment of the bills, a copy of which is attached. After review and discussion, Director Och moved to approve the bookkeeper's report and payment of the bills. The motion was seconded by Director Fahey, which passed unanimously.

TAX ASSESSMENT AND COLLECTIONS MATTERS; INCLUDING DELINQUENT TAX COLLECTIONS AND PAYMENT OF TAX BILLS

Ms. Whittemore 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 Fahey moved to approve the tax assessor/collector's report including payment of the tax bills. Director Och 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%.

The Board considered amending the District's Rate Order to recover the cost of the 4.583% CPI increase. Mr. Miller reviewed a handout of proposed revisions to the Rate Order, a copy of which is included in the operator's report, including increasing fees for residential meter taps, pre-site inspections/re-inspections, slab inspections, wall inspections, fixture inspection, final site surveys, backflow prevention inspections, grease trap inspections, delinquency notices, meter reconnections, illegal use of meters, service account transfers, returned checks/payment reversals, and confidentiality letters.

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 Fahey moved to (1) approve the operator's report; (2) approve the Amended Rate Order; (3) authorize termination of delinquent accounts in accordance with the District's Rate Order; and (4) direct that the delinquent

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customer list be filed appropriately and retained in the District's official records. Director Och 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.

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

(SEAL)

Secretary, Board of Directors

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