

DRAFT

MINUTES CINCO MUNICIPAL UTILITY DISTRICT NO. 3

March 16, 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 16th day of March, 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 Gregg Nady and Dennis Spellman, residents of the District; Lynnette Tujague of District Data Services, Inc.; Rene Anandel of Wheeler & Associates, Inc.; Robert Miller of Inframark Water & Infrastructure Services (“Inframark”); and Greer Pagan and Kathryn Blanton of Allen Boone Humphries Robinson LLP (“ABHR”).

COMMENTS FROM THE PUBLIC AND FUTURE AGENDA ITEMS

Mr. Spellman introduced himself as a resident of the District. He requested information regarding the current contract with Texas Pride Disposal (“Texas Pride”). He then requested that the Board not renew the current contract with Texas Pride due to ongoing collection issues.

APPROVE MINUTES

The Board considered approving the minutes of the February 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

Mr. Nady discussed potential property acquisitions for walking and biking trails along Mason Road. He requested the Board’s support and potential funding of the project.

GARBAGE AND RECYCLING MATTERS

There was no discussion on this matter.

FINANCIAL AND BOOKKEEPING MATTERS

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

After review and discussion, Director Fahey moved to approve the bookkeeper's report and payment of the bills. Director Och 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 Och 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; INCLUDING DELINQUENT TAX COLLECTIONS AND PAYMENT OF TAX BILLS

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 Fahey moved to approve the tax assessor/collector's report and payment of the tax bills. Director Och seconded the motion, which passed unanimously.

DRAFT

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 discussed two high-water usage bills and resident requests for leak adjustments, to be adjusted to Tier 1 rates. Discussion ensued.

Mr. Miller discussed the North Fort Bend Water Conservation Program Water Fest Event to be held on April 22, 2023.

Mr. Miller requested authorization to send one uncollectible account totaling \$32.75 to a collection agency.

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; (2) authorize the operator to adjust the two high-water usage bills, as presented; (3) authorize the operator to send one uncollectible account totaling \$32.75 to a collection agency; (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 Fahey seconded the motion, which passed unanimously.

CONDUCT ANNUAL REVIEW OF DROUGHT CONTINGENCY PLAN

The Board reviewed the District's current Amended and Restated Drought Contingency Plan and determined that no changes were needed at this time.

ANNUAL REPORT ON WATER CONSERVATION PLAN

Mr. Miller stated that no recommended changes are needed at this time, and the application has been submitted.

ENGINEERING MATTERS, INCLUDING PHASE II MS4 PERMITTING MATTERS

The Board reviewed the Phase II MS4 Year 4 Annual Report due to the Texas Commission on Environmental Quality by April 24, 2023. After review and discussion, Director Och moved to approve the submittal of the Phase II MS4 Year 4 Annual

DRAFT

Report. Director Fahey seconded the motion, which passed unanimously.

DISTRICT WEBSITE MATTERS

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

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, INCLUDING PROJECT BARKER

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

DRAFT

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Bookkeeper's report.....	2
Tax assessor/collector's report	2
Delinquent tax roll	2
Operator's report.....	3
Website analytics report.....	4