

MINUTES  
CINCO MUNICIPAL UTILITY DISTRICT NO. 3

November 17, 2022

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 17<sup>th</sup> day of November, 2022, 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 Larvin and Fahey, thus constituting a quorum.

Also attending the meeting were Alex Schmidt of Texas Pride Disposal ("Texas Pride"); Angela Airies 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

There were no comments from the public.

APPROVE MINUTES

The Board considered approving the minutes of the October 20, 2022, regular meeting. After review and discussion, Director Schroeder moved that the minutes be approved, as submitted. The motion was seconded by Director Canady, which passed unanimously.

DISCUSS SIDEWALK IMPROVEMENTS ON MASON ROAD

There was no discussion on this agenda item.

GARBAGE AND RECYCLING MATTERS AND AUTHORIZE APPROPRIATE ACTION

Mr. Schmidt reviewed a request from Texas Pride for an 11.6% rate increase for garbage and recycling collection, a copy of which is attached. He requested approval to increase the current rate per home from \$20.15 to \$22.49. Discussion ensued. The Board concurred to table this item until the December meeting.

FINANCIAL AND BOOKKEEPING MATTERS

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

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. She noted that check No. 5052 payable to Houston County Appraisal District ("HCAD") in the amount of \$206.00 is not listed in this month's report.

After review and discussion, Director Schroeder moved to approve the tax assessor/collector's report and payment of the tax bills, including check No. 5052 payable to HCAD in the amount of \$206.00. The motion was seconded by Director Canady, 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 95%.

Mr. Miller updated the Board regarding the North Fort Bend Water Conservation Program rebates.

Mr. Miller reviewed and recommended approval of a Resolution Approving Central Bank's Electronic Lockbox Payment Services for District Customers, Processing Agreement with Central Bank, and an Addendum to Operator Service Agreement between the District and Inframark.

Mr. Miller requested authorization to send three uncollectible accounts totaling \$287.88 to a collection agency. He noted that there are zero write-offs for the month.

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 Schroeder moved to: (1) approve the operator's report; (2) adopt the Resolution Approving Central Bank's Electronic Lockbox Payment Services for District Customers; (3) approve the Processing Agreement with Central Bank; (4) approve the Addendum to Services Agreement between the District and Inframark; (5) authorize the operator to send three uncollectible accounts totaling \$287.88 to a collection agency; and (6) 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 Canady, which passed unanimously.

#### ENGINEERING MATTERS

There was no discussion on this agenda item.

#### 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.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER

The Board convened in executive session at 6:16 p.m., pursuant to Section 551.071 of the Texas Government Code, in order to conduct a private consultation with the District's attorneys regarding potential litigation. In attendance were Directors Och, Canady, and Schroeder, and ABHR.

RECONVENE IN OPEN SESSION

The Board reconvened in open session at 6:17 p.m. The Board took no action during executive session.

Director Schroeder moved to authorize Munsch Hardt Kopf & Harr, P.C. to draft a petition on behalf the District. The motion was seconded by Director Canady, which passed unanimously.

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

(SEAL)



*Assistant*

Secretary, Board of Directors

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