

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

May 14, 2024

THE STATE OF TEXAS §

COUNTIES OF BRAZORIA AND FORT BEND §

BRAZORIA-FORT BEND COUNTIES MUNICIPAL UTILITY DISTRICT NO. 3 §

The Board of Directors (the “Board”) of Brazoria-Fort Bend Counties Municipal Utility District No. 3 (the “District”) met in regular session, open to the public, at 12:00 p.m. on Tuesday, May 14, 2024, at 9 Greenway Plaza, Suite 1000, Houston, Texas 77046, a designated meeting place outside the boundaries of the District; and via zoom and telephone conference at (346) 248-7799, participant code 810 6357 9411#, whereupon, the roll was called of the members of the Board of Directors, to-wit:

Corinne Haworth	-	President
Julie Winkle	-	Vice President
Afolake Cannon	-	Assistant Secretary
Bret Fugate	-	Assistant Secretary
Quinan Chang	-	Director

All members of the Board of Directors were present, Director Fugate, thus constituting a quorum.

Also present at the meeting were: Corey Laughner of KGA DeForest, the District’s landscape architect; Brandon West of Touchstone District Services, the District’s web services provider; Vanessa Hernandez of Myrtle Cruz, Inc., the District’s Bookkeeper; Sara Ahlschlager-Caudle of Utility Tax Service, LLC, the District’s Tax Assessor-Collector (“TAC”); Chris Prugar and Kait Hoffman of Tierra Financial Advisors, LLC, the District’s Financial Advisor; Carlous Smith of SiEnvironmental (“Si”), the District’s Operator; Hunter Soape of CDC Unlimited, LLC, the District’s mowing/detention maintenance provider; Abel Gallegos of LJA Engineering, the District’s Engineer; and Laken Jenkins Kilgore, attorney, and Monica Britton, paralegal, of Coats Rose, P.C. (“Coats|Rose”), legal counsel for the District.

Whereupon, the meeting was called to order in accordance with the law and the notice posted, copies of which are attached hereto as Exhibit “A.”

HEAR FROM THE PUBLIC

No public comments were presented.

APPROVE MINUTES OF MEETING

The Board reviewed the minutes from the meeting held April 9, 2024, which were previously distributed to the Board. Upon a motion by Director Winkle, seconded by Director Cannon, the Board voted unanimously to approve the minutes from the meeting held April 9, 2024.

FINANCIAL ADVISOR'S REPORT

The Board recognized Mr. Prugar who provided the Financial Advisor's Report.

Review bond capacity analysis for the Series 2024 Road Bonds (the "Bonds")

Mr. Prugar discussed with the Board the bond capacity analysis for the District's Road Bonds. Mr. Prugar noted that the Road Bonds have currently been sized at \$3,000,000.

Review and approve Summary of Costs for the Bonds

Next, Ms. Hoffman presented and discussed the Road Bonds Summary of Costs for the Board's review and consideration, a copy of which is attached hereto as Exhibit "B".

Upon a motion by Director Winkle, seconded by Director Cannon, the Board voted unanimously to approve the Series 2024 Road Bond Summary of Cost.

HEAR CDC UNLIMITED REPORT

The Board recognized Mr. Soape who presented the CDC Unlimited Report, a copy of which is attached hereto as Exhibit "C". Mr. Soape provided updates on mowing and detention maintenance in the District. No action was taken.

BOOKKEEPER'S REPORT

The Board recognized Ms. Hernandez who presented the Bookkeeper's Report for the Board's review and approval, along with certain checks for payment. A copy of the Bookkeeper's Report is attached hereto as Exhibit "D."

Upon a motion made by Director Cannon and seconded by Director Winkle, the Board voted unanimously to approve the Bookkeeper's Report and payment of the District bills.

TAX ASSESSOR-COLLECTOR'S REPORT

The Board recognized Ms. Ahlschlager-Caudle, who presented the Tax Assessor-Collector's Report for the Board's review and approval, along with certain checks for payment for the month of April, 2024. Ms. Ahlschlager-Caudle stated that 98.02% of the 2023 tax levy has been collected as of April 30, 2024. A copy of the Tax Assessor-Collector's Report is attached hereto as Exhibit "E." After review and discussion, Director Cannon moved to approve the Tax

Assessor-Collector's Report and payment of the bills presented therein. Director Winkle seconded the motion, which passed unanimously.

OPERATOR'S REPORT

The Board recognized Mr. Smith who presented the Operator's Report, a copy of which is attached hereto as Exhibit "F." Mr. Smith noted that there were 1,564 connections in the month ending April, 2024, and that the total water accountability for the District was 92.00%. He also presented a list of delinquent accounts.

Discus annual CPI increase and consider amending Rate Order

Mr. Smith informed the Board that the Operator fee schedule adjusts annually based on the accumulated percentage of the most recent CPI. He noted that the increase is 3.7%. Ms. Kilgore presented an Amended Rate Order reflecting the CPI increase to rates for the Board's review and consideration. A copy of the Amended Rate Order is attached hereto as Exhibit "G".

Following review and discussion, upon a motion made by Director Cannon and seconded by Director Winkle, the Board voted unanimously to approve (i) the Operator's Report and the action items listed therein and (ii) the Amended Rate Order for annual CPI increase.

ENGINEER'S REPORT

The Board recognized Mr. Gallegos who presented and reviewed the Engineer's Report, a copy of which is attached hereto as Exhibit "H." Mr. Gallegos requested that the Board authorize and approve the following:

- Approve Pay Estimate No. 16 in the amount of \$108,549.67 for Remote Well to Alsay Incorporated;
- Approve Pay Estimate No. 4 in the amount of \$61,646.07 for Lift Station No.2 to C4;
- Approve Pay Estimate No. 5 in the amount of \$284,438.60 for WS&D & Paving Caldwell Ranch Section 10 to Dimas Bros.

Consider approval of owner ratification for plats

Next, Mr. Gallegos requested the Board's approval for owner ratification of plats for Caldwell Ranch Boulevard Phase 3A. A copy of the Owner's Ratification of Plats is attached hereto as Exhibit "I".

After review and discussion and based on the engineer's recommendation, Director Cannon moved to approve (i) the Engineer's report and action items listed therein and (ii) the owner ratification of plats. Director Haworth seconded the motion, which passed unanimously.

HEAR LANDSCAPE ARCHITECT REPORT

The Board recognized Mr. Laughner who presented and reviewed the Landscape Architect Report, a copy of which is attached hereto as Exhibit "J". Mr. Laughner requested that the Board authorize and approve the following:

- Pay Application No. 5 in the amounts of \$118,149.08 to JCT Landscape Maintenance and Irrigation Corp. dba Junction Landscape Sections 8 and 9; Change Orders Nos. 3 and 4 in the amounts of \$34,413.61 and \$22,606.77

After discussion and the question being put to the Board, upon a motion by Director Cannon, seconded by Director Haworth, the Board voted unanimously to approve the Landscape Architect Report and the action items listed therein.

DEVELOPER'S REPORT

No Developer's report was received.

HEAR TOUCHSTONE DISTRICT SERVICE'S REPORT

The Board recognized Mr. West who presented Touchstone District Services' Communications Report, a copy of which is attached hereto as Exhibit "K." Mr. West provided updates on communication projects and tasks that have occurred since the last meeting. No action was taken.

ATTORNEY'S REPORT

The Board recognized Ms. Kilgore who presented the Attorney's Report.

Approve Amended District Registration Form

Ms. Kilgore requested the Board's authorization to amend the District Registration Form. Ms. Kilgore noted that the Board is required to file an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ") reflecting the terms of the office of the Directors.

Upon a motion by Director Cannon, seconded by Director Haworth, the Board voted unanimously to approve the Amended District Registration with the TCEQ.

There being no further business to come before the Board, upon a motion duly made, seconded and approved unanimously, the meeting was adjourned.

PASSED, APPROVED AND ADOPTED, this 11th day of June, 2024.

(DISTRICT SEAL)

Afale Cannon
Secretary, Board of Directors

