

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

March 11, 2025

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, March 11, 2025, 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 846 1793 7595#, whereupon, the roll was called of the members of the Board of Directors, to-wit:

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

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

Also present at the meeting were: Kristen Pond of Inframark; Chris Prugar and Kait Hoffman of Tierra Financial Advisors, LLC, the District’s Financial Advisor; Brandon West of Touchstone District Services, the District’s web services provider; Vanessa Hernandez of Myrtle Cruz, Inc., the District’s Bookkeeper; Carlous Smith of SiEnvironmental (“Si”), the District’s Operator; Hunter Soape of CDC Unlimited, LLC, the District’s mowing/detention maintenance provider; Sara Ahlschlager-Caudle of Utility Tax Service, LLC, the District’s Tax Assessor-Collector (“TAC”); Abel Gallegos of LJA Engineering, the District’s Engineer; and Laken 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 members of the public were present.

APPROVE MINUTES OF MEETING

The Board reviewed the minutes from the meeting held February 11, 2025, which were previously distributed to the Board. Upon a motion by Director Fugate, seconded by Director Cannon the Board voted unanimously to approve the minutes from the meeting held February 11, 2025.

DISCUSS LAW ENFORCEMENT PROPOSAL FROM HOA

The Board recognized Ms. Pond representing Caldwell Ranch Homeowners Association (the "HOA"), who requested the Board consider sharing in the cost of a contract for supplemental law enforcement services with the Fort Bend County Sheriff's office. Ms. Pond requested the Board consider contributing 50% of the total contract amount, which is expected to be \$109,200. The contract covers one deputy at 40 hours of patrol.

The Board expressed interest in moving forward with a cost share agreement and requested Ms. Pond procure a draft contract from the Sheriff's Office. Ms. Kilgore noted she would prepare a cost share agreement between the District and HOA for consideration at the next meeting.

AUTHORIZE AUDITOR TO PREPARE AUDIT

Consideration was given to authorize the District's Auditor to prepare the audit for fiscal year ended March 31, 2025.

Upon a motion duly made by Director Fugate, seconded by Director Cannon, the Board voted unanimously to authorize the District's Auditor to prepare the audit for fiscal year ended March 31, 2025. A copy of the Evergreen Audit Engagement Letter is attached hereto as Exhibit "B."

HEAR FINANCIAL ADVISOR'S REPORT

The Board recognized Mr. Prugar who provided an update on the District's Series 2025 WSD Bonds.

Mr. Prugar also noted Tierra is preparing a summary of cost for the Series 2025 Road Bonds and expects to present for Board review in May.

No action was taken.

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 presented a proposal for an extension of the splash pad overflow at Lake F to address drainage issues caused by water overflowing from the pad. The total cost of the proposal expected to be approximately \$12,500, as outlined in the CDC Report (the "Splash Pad Proposal").

Mr. Soape also presented a proposal to install a culvert and build an all-weather drive from the county road to the high bank of Lake D. Ms. Kilgore requested LJA review the location and ownership details before proceeding with the work.

Approve amended budget for maintenance of joint facilities

Next, Ms. Kilgore reminded the Board that the District shares newly constructed drainage and detention facilities (the "Joint Facilities") with the neighboring Brazoria County Municipal Utility District No. 87 ("MUD 87"). Under the Joint Detention Agreement with MUD 87, the Districts are responsible for their pro-rata share of maintenance based on number of acres that drain into the Joint Facilities.

Mr. Soape presented an amended budget for maintenance of Joint Facilities for the Board's review and consideration, a copy of which is attached hereto as Exhibit "D." The total cost of maintenance of the Joint Facilities is \$99,567, with the District's share being 34% and MUD 87's share being 66%.

After discussion and the question being presented to the Board, the Board voted unanimously to approve (i) the Splash Pad Proposal and (ii) the amended budget for maintenance of the Joint Facilities.

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 "E."

Adopt FYE budget for fiscal year ending March 31, 2026

Consideration was given to adopt the fiscal year ending March 31, 2026 budget, a copy of which is included in the Bookkeeper's Report.

Approve Amended Bookkeeping Contract

Next, Ms. Hernandez presented an Amended Bookkeeping Contract for the Board's review and consideration, a copy of which is attached hereto as Exhibit "F." Ms. Hernandez noted that the amended contract reflects an inflationary increase in their rates.

Upon a motion duly made by Director Cannon, seconded by Director Fugate, the Board voted unanimously to approve (i) the Bookkeeper's Report and payment of the bills therein, (ii)

the budget for fiscal year ending March 31, 2026, and (iii) the Amended Bookkeeping Contract, subject to final review by Coats Rose.

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 February, 2025. Ms. Ahlschlager-Caudle stated that 96.41% of the 2024 tax levy has been collected as of February 28, 2025. A copy of the Tax Assessor-Collector's Report is attached hereto as Exhibit "G."

After review and discussion, Director Fugate 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 "H." Mr. Smith noted that there were 1,821 connections in the month ending February, 2025, and that the total water accountability for the District was 105.01%. Mr. Smith noted the well meter is being tested due to high accountability. He also presented a list of delinquent accounts.

Adopt Resolution Evidencing Review of Identity Theft Prevention Program

This action was deferred.

Approve Second Amendment to Professional Services Contract

Next, Mr. Smith presented a Second Amendment to Professional Services Contract for the Board's review and consideration, a copy of which is attached hereto as Exhibit "I." He stated that the contract was amended to reflect a 7.1% inflationary increase in their fees.

Following review and discussion, upon a motion made by Director Cannon and seconded by Director Fugate, the Board voted unanimously to approve (i) the Operator's Report and the action items listed therein and (ii) the Second Amendment to Professional Services Contract.

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 "J."

Ratify approval of repairs to fencing around District facilities

Consideration was given to ratify the approval of the repairs to fencing around Lift Station No. 1.

Mr. Gallegos also requested authorization to repair the damaged fencing around the District's Pump Station.

Upon a motion made by Director Cannon, seconded by Director Winkle, the Board voted unanimously to (i) approve the Engineer's Report and the action items listed therein, (ii) ratify approval of the repairs to fencing around Lift Station No. 1; and (iii) authorize repairs to the damaged fencing around the District's Pump Station.

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.

Ms. Kilgore noted sections within Caldwell Ranch that have not been opted into the District's alert system. Mr. West stated he would work with Si to incorporate the new sections.

No action was taken.

ATTORNEY'S REPORT

The Board recognized Ms. Kilgore who presented the Attorney's Report. No action was taken.

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

[signature page follows]

PASSED, APPROVED AND ADOPTED this 8th day of April, 2025.

(DISTRICT SEAL)



Aleah Cannon

Secretary, Board of Directors