

MINUTES OF MEETING  
OF THE  
BOARD OF DIRECTORS

June 11, 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, June 11, 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 851 8129 7175#, 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 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; Kathleen Kinchen 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.

**RECONSTITUTE BOARD OF DIRECTORS**

Ms. Kilgore stated that the officers of the Board consist of the President, Vice-President, Secretary and two Assistant Secretaries. The Board discussed reconstituting as follows:

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

Upon a motion by Director Winkle, seconded by Director Fugate, the Board voted unanimously to approve reconstituting the Board.

**AUTHORIZE FILING AN AMENDED DISTRICT REGISTRATION**

The Board next considered authorizing the attorney to prepare an Amended District Registration Form and file it with the Texas Commission on Environmental Quality (the "Commission"). Ms. Kilgore explained that this form must be revised to reflect the appointment of Director Chang and the reconstitution of the Board. Upon a motion by Director Cannon, seconded by Director Fugate, the Board voted unanimously to reconstitute the Board, set Director terms and authorize the attorney to prepare the amended District Registration Form and file said form with the Commission.

**APPROVE MINUTES OF MEETING**

The Board reviewed the minutes from the meeting held May 14, 2024, which were previously distributed to the Board. Upon a motion by Director Winkle, seconded by Director Fugate, the Board voted unanimously to approve the minutes from the meeting held May 14, 2024.

**HEAR ENHANCED ENERGY REPORT**

Ms. Kilgore requested the Board’s consideration to approve a short-term electricity contract with Gexa Energy to power the remote well.

Upon a motion by Director Fugate, seconded by Director Winkle, the Board voted unanimously to approve the short-term electricity contract with Gexa Energy to power the remote well.

**HEAR AUDITOR’S REPORT**

The Board recognized Mr. Applewhite who presented the Auditor’s Report.

**Authorize McGrath & Co. to prepare the developer reimbursement audit for the Series 2024 Unlimited Tax Utility Bonds and Unlimited Tax Road Bonds (collectively, the “Bonds”)**

Consideration was given to authorize the Auditor to prepare the developer reimbursement audit for the Bonds.

Review and approve the audit for fiscal year ended March 31, 2024

Mr. Applewhite next presented a draft copy of the District’s Audit Report for fiscal year ended March 31, 2024 for the Board’s review and consideration, a copy of which is attached hereto as Exhibit “B”.

Upon a motion by Director Fugate, seconded by Director Winkle, the Board voted unanimously to (i) authorize McGrath & Co. to prepare the developer reimbursement audit for the Bonds and (ii) approve the fiscal year end March 31, 2024 Audit Report subject to a one week review period.

FINANCIAL ADVISOR’S REPORT

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

Approve Order Adopting Official Notice of Sale and Preliminary Official Statement for the Bonds

Mr. Prugar presented to the Board for review the Preliminary Official Statement (“POS”) and Official Notice of Sale for the Bonds, copies of which are attached hereto as Exhibit “C”. He discussed the timeline for closing the sale of the Bonds and reviewed the process for advertising the sale of the Bonds. Mr. Prugar reviewed the contents of the POS with the Board. He stated that the POS is the disclosure statement which informs any potential purchasers of the Bonds of the risks associated with the purchase along with other information regarding the District. Mr. Prugar stated that the copies of the POS will be provided to all prospective purchasers of the Bonds.

Upon a motion by Director Winkle, seconded by Director Fugate, the Board voted unanimously to approve the Order Adopting the Official Notice of Sale and Preliminary Official Statement for the Bonds.

HEAR CDC UNLIMITED REPORT

The Board recognized Mr. Soape who presented the CDC Unlimited Report, a copy of which is attached hereto as Exhibit “D”. Mr. Soape provided updates on mowing and detention maintenance in the District.

Mr. Soape next requested the Board’s consideration and approval for mosquito control spraying at a cost not to exceed \$2,625 per application/twice per month as needed.

Upon a motion made by Director Cannon, seconded by Director Fugate, the Board voted unanimously to approve mosquito control spraying at a cost not to exceed \$2,625 per application/twice per month as needed.

### 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."

Upon a motion made by Director Fugate 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 May, 2024. Ms. Ahlschlager-Caudle stated that 98.64% of the 2023 tax levy has been collected as of May 31, 2024. A copy of the Tax Assessor-Collector's Report is attached hereto as Exhibit "F." After review and discussion, Director Winkle moved to approve the Tax Assessor-Collector's Report and payment of the bills presented therein. Director Fugate 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 "G." Mr. Smith noted that there were 1,672 connections in the month ending May, 2024, and that the total water accountability for the District was 96.39%. He also presented a list of delinquent accounts.

Following review and discussion, upon a motion made by Director Winkle and seconded by Director Fugate, the Board voted unanimously to approve the Operator's Report and the action items listed therein.

### ENGINEER'S REPORT

The Board recognized Ms. Kinchen who presented and reviewed the Engineer's Report, a copy of which is attached hereto as Exhibit "H."

After review and discussion and based on the engineer's recommendation, Director Fugate moved to approve the Engineer's report. Director Cannon 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 "I". Mr. Laughner requested that the Board authorize and approve the following:

- Pay Application No. 6 in the amount of \$48,956.02 to JCT Landscape Maintenance and Irrigation Corp. dba Junction Landscape Sections 8 and 9.

After discussion and the question being put to the Board, upon a motion by Director Fugate, seconded by Director Cannon, 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 "J." 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. 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.

PASSED, APPROVED AND ADOPTED this 9<sup>th</sup> day of July, 2024.

(DISTRICT SEAL)

  
Secretary, Board of Directors

