

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

September 10, 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, September 10, 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 885 7980 6900#, 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, thus constituting a quorum.

Also present at the meeting were: Aimee Ordeneaux of Texas Pride Disposal; Brandon West of Touchstone District Services, the District's web services provider; Vanessa Hernandez of Myrtle Cruz, Inc., the District's Bookkeeper; Corey Laughner of KGA DeForest, the District's landscape architect; 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; Sara Ahlschlager-Caudle of Utility Tax Service, LLC, the District's Tax Assessor-Collector ("TAC"); Kathleen Kinchen of LJA Engineering, the District's Engineer; and Laken Jenkins Kilgore, attorney, Emily Forswall, 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 August 13, 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 August 13, 2024.

CONDUCT PUBLIC HEARING ON 2024 TAX RATE

The Board opened the meeting to a public hearing on the proposed 2024 tax rate and confirmed that such notice of such hearing was published according to applicable law. It was noted that no members of the public were in attendance to address the matter of the tax rate. The public hearing was closed, and the Board meeting resumed.

ADOPT ORDER SETTING TAX RATE

Having conducted a hearing on the tax rate and following discussion, Director Cannon made a motion to levy a 2024 tax rate of \$1.35 per \$100 of assessed valuation with the following components: \$0.50 per \$100 of assessed valuation for maintenance and operations, \$0.60 per \$100 of assessed valuation for utility debt service, and \$0.25 per \$100 of assessed valuation for road debt service and to adopt an Order Setting Tax Rate and Levying Tax for 2024 (the "Order") evidencing the same. The motion was seconded by Director Winkle and passed unanimously by the Board. A copy of the Order is attached hereto as Exhibit "B."

APPROVE AMENDED NOTICE TO SELLERS AND PURCHASERS

The Board next considered approving an Amended Notice to Sellers and Purchasers of Real Estate Situated in the District (the "Notice"). Ms. Kilgore stated that the Notice needs to be updated to reflect the adoption of the 2024 tax rate. Ms. Kilgore continued that the Notice will be filed in the Brazoria and Fort Bend County Property Records and with the TCEQ. Upon a motion duly made by Director Fugate, seconded by Director Winkle, the Board voted unanimously to approve the Notice and authorized the District's attorney to file the Notice in the Brazoria and Fort Bend County Real Property Records and with the TCEQ. A copy of said Notice is attached hereto as Exhibit "C."

HEAR TEXAS PRIDE REPORT

Review and consider approving Residential Solid Waste Collection Contract

Ms. Ordeneaux presented a Residential Solid Waste Collection Contract for the Board's review and consideration, a copy of which is attached hereto as Exhibit "D." Ms. Ordeneaux informed the Board that Texas Pride is no longer auto-renewing collection contracts and their standard form contracts have been revised to include new terms and rates. She stated that the current garbage collection rate of \$19.14 will increase to \$20.10 per month per residence, effective October 1, 2024, under the proposed contract

After discussion and upon a motion made by Director Cannon, seconded by Director Fugate, the Board voted unanimously to approve (i) the Residential Solid Waste Collection Contract and (ii) the Amended Rate Order to reflect the garbage rate increase.

HEAR CDC UNLIMITED REPORT

The Board recognized Mr. Soape who presented the CDC Unlimited Report, a copy of which is attached hereto as Exhibit "E".

Soape reminded the Board of the concrete debris left by contractors from fence replacements as a result of Hurricane Beryl. He presented a proposal for removal for the Board's approval and consideration, a copy of which is attached hereto as Exhibit "F."

He next informed the Board of brace boards and downed fencing on District property due to Hurricane Beryl. He stated that the HOA sent letters to residents to remove fence debris and have repairs completed by August 31, 2024. However, there are residents who have not adhered to the deadline. The Board requested Coats Rose to send letters to residents to remove downed fencing and brace boards immediately, as it is a safety hazard for mowers and maintenance workers.

Upon a motion made by Director Winkle, seconded by Director Fugate, the Board voted unanimously to approve (i) the CDC Report and the action items listed therein and (ii) the proposal for removal of concrete debris.

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 "G."

Adopt Amended Budget

Next, Ms. Hernandez presented an amended budget for the Board's review and consideration, a copy of which is included in the Bookkeeper's Report.

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

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 August, 2024. Ms. Ahlschlager-Caudle stated that 99.07% of the 2023 tax levy has

been collected as of August 31, 2024. A copy of the Tax Assessor-Collector's Report is attached hereto as Exhibit "H."

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 "I." Mr. Smith noted that there were 1,814 connections in the month ending August, 2024, and that the total water accountability for the District was 98.31%. 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 "J."

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

HEAR LANDSCAPE ARCHITECT REPORT

The Board recognized Mr. Laughner who presented the Landscape Architect's Report, a copy of which is attached hereto as Exhibit "K".

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

DEVELOPER'S REPORT

No report was presented.

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 "L." Mr. West provided updates on communication projects and tasks that have occurred since the last meeting.

ATTORNEY'S REPORT

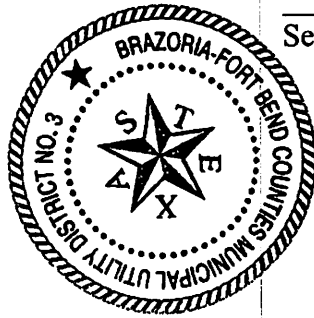
The Board recognized Ms. Kilgore who presented the Attorney's Report. No action was taken.

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 October, 2024.

(DISTRICT SEAL)



Waleka Cameron
Secretary, Board of Directors