

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS
JULY 20, 2018

THE STATE OF TEXAS §

COUNTY OF FORT BEND §

FORT BEND COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 3 §

The Board of Directors (the "Board") of Fort Bend County Water Control and Improvement District No. 3 (the "District") noticed a regular session, open to the public, to be held on Friday, July 20, 2018, at 11:30 a.m., at 503 FM 359, Suite 118, Richmond, Texas, a designated meeting place outside the boundaries of the District. Whereupon, at 11:35 a.m., the meeting was called to order and the roll was called of the members of the Board, to-wit:

Ann Heil	-	President
Gloria Couch	-	Vice President
Chayo Huff	-	Secretary
Richard Wasser	-	Assistant Secretary
Scott Douthitt	-	Assistant Secretary

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

Also present at the meeting were Greg Dubiel of Municipal Operations and Consulting, Inc. ("MOC"), Operator for the District; Lina Loiza of Bob Leared Interests, Tax Assessor/Collector for the District; Trey Schneider of PBK Engineers ("PBK"), Engineers for the District; Joshua J. Kahn and Deidra Daniels (paralegal) of Sanford Kuhl Hagan Kugle Parker Kahn LLP ("SK Law"), Attorney for the District; Shannon Waugh of Off Cinco, Inc.; and Simon Vandyk and Laura Vandyk of Touchstone District Services.

HEAR FROM PUBLIC

The Board noted that there were no members of the public present who wished to address the Board.

WEBSITE PROPOSALS

The Board recognized Ms. Waugh, who introduced herself and gave a brief overview of her company, Off Cinco, Inc. Ms. Waugh then presented to the Board a proposal for the creation, hosting, and maintenance of a website for the District, and answered questions from the Board.

The Board recognized Mr. Vandyk, who introduced himself and gave a brief overview of Touchstone District Services. Mr. Vandyk then presented to the Board a proposal for the creation, hosting, and maintenance of a website for the District and the creation and implementation of a resident alert system. Mr. Vandyk then answered questions from the Board.

Upon motion by Director Huff, seconded by Director Couch, and after full discussion, the Board voted unanimously to accept the proposal submitted on behalf of Off Cinco, Inc., with creation of a District website at a cost of \$1,400, and with a recurring monthly fee of \$150 for monthly hosting and maintenance of the website.

MINUTES FOR THE JUNE 15, 2018 MEETING

The proposed minutes of the meeting of the Board held June 15, 2018, previously distributed to the Board, were presented for consideration and approval.

Upon motion by Director Huff, seconded by Director Wasser, and after full discussion, the Board voted unanimously to approve the minutes for the meeting held on June 15, 2018, as submitted.

TAX ASSESSOR/COLLECTOR'S REPORT

The Board recognized Ms. Loaiza, who reviewed with the Board the Tax Assessor/Collector Report for the month of June 2018, a copy of which is attached hereto. Ms. Loaiza also noted that the District's preliminary 2018 value is \$119,253,041, a 3% increase from 2017.

Upon motion by Director Wasser, seconded by Director Couch, and after full discussion, the Board voted unanimously (1) to approve the Tax Assessor/Collector Report, and (2) to authorize payment of the tax checks listed therein.

BOOKKEEPER'S REPORT

The Board recognized Mr. Kahn, who, on behalf of the District's bookkeeper, submitted to and reviewed with the Board the Bookkeeper's Report and certain invoices for payment by the District. Mr. Kahn also presented a proposed budget for fiscal year ending July 31, 2019. The Board discussed amending the proposed budget to include \$3,500 for the creation and maintenance of a District website.

Upon motion by Director Couch, seconded by Director Wasser, and after full discussion, the Board voted unanimously to the proposed FYE 2019 budget, as amended.

Upon motion by Director Huff, seconded by Director Couch, and after full discussion, the Board voted unanimously to (1) approve the Bookkeeper's Report; and (2) authorize payment of the checks listed therein.

OPERATOR'S REPORT

The Board recognized Mr. Dubiel who presented the Operator's Report for the month of June 2018. Mr. Dubiel advised that he had received inquiry regarding painting fire hydrants in District, and noted that the TCEQ has designated colors for fire hydrants dependent on the size of the water main. After discussion by the Board, Mr. Dubiel noted that he will bring a proposal for painting all fire hydrants in the District to the next meeting. Mr. Dubiel also noted that the one water meter serving Esperanza Equestrian Center has being billed incorrectly to the HOA.

Upon motion by Director Huff, seconded by Director Wasser, and after full discussion, the Board voted unanimously to (1) approve the Operator's Report; and (2) direct the Operator to correct the Esperanza Equestrian Center billing and issue a bill to the Center for past water usage.

ENGINEER'S REPORT

The Board recognized Mr. Schneider, who advised that PBK's computer system had been down for 11 days due to a ransomware virus, but that he is getting back to work on the District's drainage/flooding issues and will schedule a meeting with the City of Richmond.

The Board noted that no action was necessary in connection with the Engineer's Report.

ATTORNEY'S REPORT

Arbitrage Report

The Board recognized Mr. Kahn, who reviewed with the Board the Annual Arbitrage Report submitted by Municipal Risk Management.

The Board noted that no action was necessary in connection with the Arbitrage Report.

COMMENTS FROM BOARD MEMBERS

The Board recognized Director Heil, who discussed an email she had received from Lake Management Services informing the Board of certain repairs that need to be made to two irrigation wells. Director Heil also discussed mowing of the drainage ditch in the District. Director Huff noted that the ditch on Calvary also needs mowing. After discussion, Director Heil noted that she would get a quote from Mariner Price.

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

PASSED, APPROVED AND ADOPTED, this 17th day of August, 2018.



Secretary, Board of Directors

(DISTRICT SEAL)