

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS
AUGUST 17, 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, August 17, 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 11:30 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 Directors Heil and Couch, thus constituting a quorum.

Also present at the meeting were Greg Dubiel of Municipal Operations and Consulting, Inc. ("MOC"), Operator for the District; Christina Cole of Myrtle Cruz, Inc. ("MCI"), Bookkeepers for the District; Lina Loiza of Bob Leared Interests, Tax Assessor/Collector for the District; Christine Crotwell of Masterson Advisors, LLC ("Masterson"), Financial Advisors for the District; and Joshua J. Kahn of Sanford Kuhl Hagan Kugle Parker Kahn LLP ("SK Law"), Attorney for the District.

HEAR FROM PUBLIC

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

MINUTES FOR THE JULY 20, 2018 MEETING

The proposed minutes of the meeting of the Board held July 20, 2018, previously distributed to the Board, were presented for consideration and approval.

Upon motion by Director Wasser, seconded by Director Douthitt, and after full discussion, the Board voted unanimously to approve the minutes for the meeting held on July 20, 2018, as submitted.

HEAR FINANCIAL ADVISOR'S REPORT

Discuss 2018 Tax Rate/Call Public Hearing on Proposed 2018 Tax Rate

The Board recognized Ms. Crotwell, who presented to and reviewed with the Board the District's 2018 tax rate analysis. The Board discussed such analysis, the options for the 2018 tax rate and possible future maintenance expenses anticipated for the District. Mr. Kahn explained the procedures that the District must follow prior to adopting its 2018 tax rate. These procedures involve publishing notice of the District's tax rate hearing in a newspaper of general circulation within the District at least 7 days prior to such hearing.

Upon a motion by Director Wasser, seconded by Director Douthitt, and after full discussion, the Board by unanimous vote authorized the publication of the Notice of Public Hearing on Tax Rate, scheduled for September 21, 2018, at 11:30 a.m., at 503 FM 359, Suite 118, Richmond, Texas, and to publish a proposed total tax rate for 2018 of \$0.46 per \$100 of assessed valuation, along with a tax rate and levy analysis as required by Chapter 49 of the Texas Water Code.

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 discussed with the Board a delinquent taxpayer within the District.

Upon motion by Director Douthitt, seconded by Director Wasser, and after full discussion, the Board voted unanimously (1) to approve the Tax Assessor/Collector Report, (2) to authorize payment of the tax checks listed therein, and (3) to authorize a water termination letter to be sent to the delinquent taxpayer notifying the taxpayer that if payment is not received before the September 21, 2018, Board meeting, water service will be terminated on September 24, 2018.

BOOKKEEPER'S REPORT

The Board recognized Ms. Cole, who submitted to and reviewed with the Board the Bookkeeper's Report and certain invoices for payment by the District.

Upon motion by Director Wasser, seconded by Director Douthitt, 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 discussed with the Board the low water pressure in the District which occurred on August 16, noting that the low pressure was due to a valve repair being made. Mr. Dubiel advised that the repairs were more difficult than anticipated which led to the need to send a "Boil Water Notice" to approximately 30 homes. Mr. Dubiel also noted that testing is currently underway to verify water quality so such notice could be rescinded before the weekend.

The Board then discussed procedures that can be implemented to provide better notice/communications to Directors during future emergencies. Mr. Dubiel stated that he will ensure that such procedures are implemented.

The Board next discussed correcting the water bill for the equestrian center which has been historically incorrectly billed at the HOA rate. It was the consensus of the Board to correct billings going forward and not to collect for prior billings.

Upon motion by Director Douthitt, seconded by Director Wasser, and after full discussion, the Board voted unanimously to (1) approve the Operator's Report; (2) direct the Operator to implement emergency notification procedures; and (3) direct the Operator to correct the Esperanza Equestrian Center billing going forward.

ENGINEER'S REPORT

The Board recognized Mr. Kahn, who, on behalf of the District's Engineer, submitted to and reviewed with the Board the Engineer's Report.

Upon motion by Director Wasser, seconded by Director Douthitt, and after full discussion, the Board voted unanimously to approve the Engineer's Report.

WEBSITE REPORT

The Board recognized Mr. Kahn, who, on behalf of Off Cinco, Inc., reviewed with the Board the District's newly created website, noting that the website was "live" for a short period of time to allow the Director to review, comment, and provided suggested changes. The Board requested that the website be kept live though the weekend.

The Board noted that action was necessary in connection with the Website Report.

ATTORNEY'S REPORT

Mowing

Director Douthitt updated the Board on his communications with Seaback regarding mowing in the District.

The Board noted that action was necessary in connection with the Attorney's Report.

COMMENTS FROM BOARD MEMBERS

No comments were offered.

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 21st day of September, 2018.



Secretary, Board of Directors

(DISTRICT SEAL)

