

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

August 12, 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, August 12, 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 879 2502 1558#, 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 Haworth, thus constituting a quorum.

Also present at the meeting were: Tim Applewhite of McGrath and Co., PLLC, the District’s Auditor; Chris Prugar 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; Jarryd Mayfield 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, Abel Gallegos and Patrick Newton of LJA Engineering, the District’s Engineer; and Laken 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 July 8, 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 July 8, 2025.

HEAR FINANCIAL ADVISOR'S REPORT

Adopt Resolution Regarding Development Status of the District

Ms. Kilgore described the impact of Senate Bill 2 on the adoption of the District's 2025 tax rate. She explained that, based on analysis from the District's Engineer and Financial Advisor, the District had not "financed, completed, and issued bonds to pay for all land, works, improvements, facilities, plants, equipment, and appliances necessary to serve at least 95 percent of the projected build-out of the district in accordance with the purposes for its creation or the purposes authorized by the constitution, this code, or any other law," therefore, Ms. Kilgore recommended the District proceed with adopting the 2025 tax rate as a "developing" district pursuant to Texas Water Code, Section 49.23603. A copy of the Resolution Regarding Development Status of the District is attached hereto as Exhibit "B".

Receive 2025 Tax Rate Analysis and Call Hearing on Tax Rate

The Board recognized Mr. Prugar who discussed the financial advisor's recommendations concerning the District's 2025 tax rate, a copy of which is attached hereto as Exhibit "C". Ms. Kilgore next explained the procedures that the District must follow prior to adopting a tax rate for 2025.

Upon full discussion and a motion made by Director Winkle, seconded by Director Cannon, the Board voted unanimously to (i) approve the Financial Advisor's Report, (ii) adopt a Resolution Regarding Development Status of the District classifying the District as developing, and (iii) call a public hearing and authorize publication of notice of the District's tax rate hearing (to be held on September 9, 2025 at 12:00 p.m. at Coats Rose, P.C., 9 Greenway Plaza, Suite 1000, Houston, Texas 77046) and information on the District's proposed tax rate of \$1.30 per \$100 of assessed value.

APPROVE AUDITOR'S REPORT

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

Approve Developer Reimbursement Audit for Series 2025 WSD and Road Bonds

Mr. Applewhite presented a draft copy of the Developer Reimbursement Audit for the District's Series 2025 Unlimited Tax Bonds and the District's Series 2025 Unlimited Tax Road Bonds (collectively, "the Bonds") for the Board's review and consideration, copies of which are attached hereto as Exhibit "D".

After discussion and the question being put to the Board, upon a motion by Director Winkle, seconded by Director Fugate, the Board voted unanimously to approve the Developer Reimbursement Audits for the District's Series 2025 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 "E." Mr. Soape provided updates on maintenance in the District. No action was taken.

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 "F."

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

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 July, 2025. Ms. Ahlschlager-Caudle stated that 99.16% of the 2024 tax levy has been collected as of July 31, 2025. A copy of the Tax Assessor-Collector's Report is attached hereto as Exhibit "G."

After review and discussion, Director Cannon 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. Mayfield who presented the Operator's Report, a copy of which is attached hereto as Exhibit "H." Mr. Mayfield noted that there were 1,820 connections in the month ending July, 2025, and that the total water accountability for the District was 101.50%. He stated that the high accountability will continue to be monitored but confirmed there are no issues. He also presented a list of delinquent accounts.

Following review and discussion, upon a motion made by Director Cannon 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 Mr. Gallegos who presented and reviewed the Engineer's Report, a copy of which is attached hereto as Exhibit "I."

Approve Amended Engineering Services Agreement

Consideration was given to the Amended Engineering Services Agreement ("ESA"). Ms. Kinchen noted that the agreement was being amended to reflect an increase in their service fees. A copy of the ESA is attached hereto as Exhibit "J."

Approve Capital Improvement Plan

Next, Mr. Newton discussed and presented a Capital Improvement Plan ("CIP") for the Board's review and consideration. He opened discussion with the Board and answered any questions. A copy of the CIP is attached hereto as Exhibit "K."

After review and discussion, Director Cannon moved to approve (i) Engineer's Report, (ii) the ESA, and (iii) the CIP, subject to final review.

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. No action was taken.

ATTORNEY'S REPORT

The Board recognized Ms. Kilgore who presented the Attorney's Report.

Approve Amended Notice to Sellers and Purchasers

Ms. Kilgore presented an Amended Notice to Sellers and Purchasers for the Board's review and consideration, a copy of which is attached hereto as Exhibit "M." Ms. Kilgore informed the Board that the Notice to Seller and Purchasers must be amended to reflect the issuance of the Bonds.

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 9th day of September, 2025.

(DISTRICT SEAL)



Malake Cannon
Secretary, Board of Directors