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MINUTES
CINCO MUNICIPAL UTILITY DISTRICT NO. 1
(Master)

January 12, 2024

The Board of Directors (the “Board”) of Cinco Municipal Utility District No. 1 (the “District”) met in regular session, open to the public, on the 12th day of January, 2024, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Mike Price	President
Dan Whitton	Vice President
Sharon Bauer	Secretary
Jim Cusack	Assistant Vice President
Robert Duncan	Assistant Secretary

and all of the above were present except Director Whitton, thus constituting a quorum.

Also present at the meeting were Cara Sliva of Artesian Financial Services, LLC; John Taylor of Masuen Consulting, LLC (“Masuen”); Carl Jarvis and Suraj Shetty of Champion Technology Services (“Champion”); Larry Mueller of BGE, Inc. (“BGE”); ElizaBeth Reeves and Russell Piper of Inframark Water & Infrastructure Services (“Inframark”); and Harry H. Thompson and Jennifer Ramirez of Allen Boone Humphries Robinson LLP (“ABHR”).

The District established a telephone option for members of the public to listen to the meeting and to address the Board. There was no one on the telephone.

PLEDGE OF ALLEGIANCE

The Board conducted the Pledge of Allegiance.

COMMENTS FROM THE PUBLIC

There were no comments from the public.

APPROVE MINUTES

The Board considered approving the minutes of the December 13, 2023, regular meeting. After review and discussion, Director Bauer moved to approve the minutes of the December 13, 2023, regular meeting. Director Cusack seconded the motion, which passed unanimously.

OPERATION MATTERS

Ms. Reeves reviewed the operator's report, a copy of which is attached, and stated water accountability for the previous month was 96%. She updated the Board regarding repairs and maintenance performed during the previous month.

Ms. Reeves reviewed the operational budget tracker, a copy of which is attached to the operator's report.

Ms. Reeves reported that for the month of December there was one excursion at the South Wastewater Treatment Plant ("WWTP"), which was reported to the Texas Commission on Environmental Quality ("TCEQ"). She stated that there were no excursions at the Central WWTP.

Mr. Piper reported on the operations of the Microfiltration Reverse Osmosis Plant ("RO Plant"), including the estimated schedule for the installation of the transfer pumps for Jasper Well No. 1.

After review and discussion, and based on the operator's recommendation, Director Cusack moved to approve the operator's report. Director Bauer seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Sliva reviewed the bookkeeper's report, a copy of which is attached, and the checks presented for payment.

After review and discussion, and based on the bookkeeper's recommendation, Director Cusack moved to approve the bookkeeper's report and the checks presented for payment. Director Duncan seconded the motion, which passed unanimously.

WATER CONSERVATION REPORT

Mr. Taylor reviewed the water conservation report, a copy of which is attached, including the water budget compliance report.

Mr. Taylor reviewed a proposal in the amount of \$3,750.00 for reuse meter irrigated area collection, a copy of which is attached.

After review and discussion, and based on Masuen's recommendation, Director Duncan moved to (1) approve the water conservation report; and (2) approve the proposal in the amount of \$3,750.00 for reuse meter irrigated area collection. Director Bauer seconded the motion, which passed unanimously.

CELL TOWER LEASE AND AUTHORIZE APPROPRIATE ACTION

The Board discussed the proposals from SBA Communications Corporation related to the cell tower lease at the Central WWTP. After discussion, the Board took no action on the proposals.

REVIEW AND APPROVE REPORT ON ELECTRICITY CONSUMPTION AND ENERGY EFFICIENCY MEASURES AND TAKE ANY NECESSARY ACTION

Mr. Mueller updated the Board on the preparation of the report on electricity consumption and energy efficiency measures.

SECOND AMENDMENT TO EMERGENCY WATER SUPPLY AGREEMENT WITH FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 124 ("FB 124")

The Board reviewed a proposed Second Amendment to Emergency Water Supply Agreement with FB 124, which extends the term of the agreement. After review and discussion, Director Bauer moved to approve the Second Amendment to Emergency Water Supply Agreement with FB 124 and direct that it be filed appropriately and retained in the District's official records. Director Duncan seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Mr. Mueller reviewed the engineer's report, a copy of which is attached.

Mr. Mueller stated that Corona Environmental Consulting is still preparing proposals for providing a monitoring/testing plan for Inframark and conforming to TCEQ requirements for engineering submittal within seven months of starting RO Plant system water delivery.

Mr. Mueller updated the Board on the status of construction of the effluent reuse facility at the Cinco Regional WWTP. He stated that he had no action items from JTR Constructors for the Board's approval. The Board discussed holding a ground breaking ceremony for the project on February 14, 2024, at the end of the Master District meeting.

Mr. Mueller updated the Board on the status of the Phase 2 reclaimed distribution system.

Mr. Mueller updated the Board on the status of design of the chloramine conversion project for both of the District's water plants.

Mr. Mueller updated the Board on the status of construction of the water well no. 8 improvement project. He stated that the contractor addressed the remaining punch list

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items, so BGE approved the release of the final pay estimate. Mr. Mueller then recommended that the Board accept the project.

Mr. Mueller reported that the SH99 water line relocation project is complete.

Mr. Mueller updated the Board on the status of design of the ultraviolet system replacement project at the South WWTP.

After review and discussion, and based on the engineer's recommendation, Director Cusack moved to (1) approve the engineer's report; and (2) accept the water well no. 8 improvement project. Director Bauer seconded the motion, which passed unanimously.

OPERATION MATTERS (CONT'D)

Mr. Jarvis reviewed a proposal in the amount of \$92,180.00 for water plant and remote well gate sensor upgrades.

Mr. Shetty reviewed a proposal in the amount of \$8,870.00 for the SCADA software support contract for the calendar year 2024.

The Board discussed security matters at the District's facilities. After discussion, the Board requested Champion provide a proposal for conducting a security audit of the District's facilities for the Board's review at the next regular meeting.

After review and discussion, and based on Champion's recommendation, Director Duncan moved to (1) approve the proposal in the amount of \$92,180.00; and (2) approve the proposal in the amount of \$8,870.00. Director Cusack seconded the motion, which passed unanimously.

FUNDING OF REGIONAL FACILITIES AND AUTHORIZE APPROPRIATE ACTION

Mr. Thompson reminded the Board of its unspent capital projects fund amount, and Mr. Mueller stated the Re-Use Phase II project is underway following a delay resulting from the TCEQ's prior analysis related to the project. The Board discussed the timing of the Jasper Well No. 2 project and again stated such well could not be complete in its design until Jasper Well No. 1 was up and running.

U.S. ARMY CORPS OF ENGINEERS ("USACE") LITIGATION

Mr. Thompson updated the Board on the status of the USACE litigation.

MEETING SCHEDULE AND ITEMS FOR INCLUSION ON THE NEXT AGENDA

The Board discussed the regular meeting schedule for February. The Board concurred to hold the February 14, 2024, Master District meeting at 10 a.m. at the RO

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Plant.

There being no further business to come before the Board, the meeting was adjourned.

Secretary, Board of Directors

(SEAL)

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