

MINUTES
CINCO MUNICIPAL UTILITY DISTRICT NO. 1
(Master)

April 25, 2022

The Board of Directors (the "Board") of Cinco Municipal Utility District No. 1 (the "District") met in regular session, open to the public, on April 25, 2022, 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:

G. Tim Lawrence	President
Jim Cusack	Vice President
Sharon Bauer	Secretary
Kermit Palmer	Assistant Vice President
Mike Price	Assistant Secretary

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

Also present at the meeting were Sergio Handal of Pape-Dawson Engineers, Inc.; Norris of NorrisLeal; Tom Crayton of F. Matuska, Inc. ("FMI"); Larry Mueller of BGE, Inc. ("BGE"); ElizaBeth Reeves of Inframark Water & Infrastructure Services ("Inframark"); and Harry H. Thompson, Jennifer Ramirez, and Faye Simonds of Allen Boone Humphries Robinson LLP ("ABHR").

Due to the COVID-19 virus epidemic emergency, the District established a telephone option for members of the public to listen to the meeting and to address the Board.

There were no members of the public were on the teleconference line.

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 March 9, 2022, regular meeting. After review and discussion, Director Palmer moved to approve the minutes

of the March 9, 2022, regular meeting, as submitted. Director Bauer seconded the motion, which passed unanimously.

BOOKKEEPER'S REPORT

Mr. Crayton reviewed the bookkeeper's report, a copy of which is attached, the checks presented for payment. He noted that check no. 4633 in the amount of \$3,860, payable to Champion Technology Services, will be paid out of the capital projects funds instead of the general operating fund.

After review and discussion, Director Palmer moved to approve the bookkeeper's report and the checks presented for payment. Director Bauer seconded the motion, which passed unanimously.

WATER CONSERVATION REPORT

The Board reviewed the water conservation report prepared by Masuen Consulting, LLC ("Masuen"), a copy of which is attached, including the water budget compliance report.

Director Cusack reported that certain reclaimed water system signs are being damaged and/or knocked askew. Discussion ensued regarding potentially charging Yellowstone Landscape - Central, Inc. ("Yellowstone") \$500 per sign to cover the expense of Inframark resetting each sign in a deeper hole with concrete. Following discussion, the Board concurred to request that Masuen arrange for a representative of Yellowstone to attend the next Master District meeting to discuss the matter.

Mr. Mueller stated that Masuen's report indicates that there are an additional nine meters remaining from the first phase of the reuse system conversion that have already been retrofitted and are ready to be converted to reuse. He stated that Masuen reports that it will cost an amount not to exceed \$99,000.00 to complete the work.

After review and discussion, Director Palmer moved to (1) approve the water conservation report; and (2) authorize Masuen to convert the nine meters to reuse water for an amount not to exceed \$99,000.00. Director Bauer seconded the motion, which passed unanimously.

REPORT FROM NORRISLEAL

Mr. Norris reviewed the monthly report from NorrisLeal, a copy of which is attached.

Mr. Norris updated the Board regarding the Microfiltration Reverse Osmosis Plant ("RO Plant"). He reported on the operations meeting held on April 12, 2022.

Mr. Norris stated that NorrisLeal is still waiting on a revised preventative maintenance proposal for air compressor A from Atlas Copco.

The Board discussed the variable frequency drive ("VFD") for Jasper Well No. 1. Mr. Norris stated that Inframark can obtain a soft start VFD for flushing and calibrating the equipment utilizing water from Jasper Well No. 1 before the new VFD arrives for a cost of \$10,000.00, subject to approval by BGE's electrical engineer. Ms. Reeves reported that the new Eaton VFD is scheduled to arrive on June 12th.

The Board discussed the issues with the Eaton equipment utilized by the District. The Board requested that ABHR look into potential financial recourse with Eaton.

After review and discussion, and based on NorrisLeal's recommendation, Director Palmer moved to (1) approve the report from NorrisLeal; and (2) approve the purchase of a soft start VFD for a cost of \$10,000.00, subject to approval by BGE's electrical engineer. Director Bauer seconded the motion, which passed unanimously.

OPERATOR'S REPORT

Ms. Reeves reviewed the operator's report, a copy of which is attached, and stated water accountability for the previous month was 94%. She updated the Board regarding repairs and maintenance performed during the previous month.

Ms. Reeves reported that there were no exceedances at the South Wastewater Treatment Plant ("WWTP") and the Central WWTP.

Ms. Reeves stated that the well motor and the right-angle drive at water well no. 7 require repair in the amount of \$39,649.00.

Ms. Reeves stated that C&C Water Services, LLC (C&C") televised and cleaned water well no. 7, as previously authorized by the Board, and Inframark has determined that the well requires downhole rehabilitation. She reviewed a proposal in the amount of \$263,265.00, submitted by C&C, a copy of which is attached to the operator's report. Mr. Mueller stated that BGE recommends proceeding with the rehabilitation of the well but noted that BGE will be investigating the cause of the downhole degradation. After review and discussion, Director Bauer moved to approve the proposal for the downhole rehabilitation in the amount of \$263,265.00, as recommended by Inframark and BGE. Director Palmer seconded the motion, which passed unanimously.

Ms. Reeves stated that the Texas Commission on Environmental Quality ("TCEQ") approved raising the internal hurricane fencing at water well no. 3 to 8 feet to satisfy TCEQ requirements. She reviewed a proposal in the amount of \$15,030.00 for the installation of an 8-foot chain link hurricane fence, submitted by Turnbuckle Fencing, LLC ("Turnbuckle"). Ms. Reeves also reported that part of the outer wooden fencing requires replacement and she reviewed a proposal in the amount of \$4,000.00 for the partial replacement of the wooden fence and a proposal in the amount of

\$17,280.00 for the complete replacement of the wooden fence, each submitted by Turnbuckle.

Ms. Reeves stated that sand filter pumps 1 and 2 at the Central WWTP require repair in the amount of \$14,604.00 for pump 1 and \$14,326.00 for pump 2 or replacement in the amount of \$14,998.00 for pump 1 and \$17,511.00 for pump 2. She stated that Inframark recommends replacement in both cases.

Ms. Reeves discussed the cybersecurity of the District's facilities and recommended the Board consider establishing a committee of two Board members to work with Inframark and Champion Technology Services regarding the cybersecurity of the District's facilities. The Board concurred to discuss the matter at the next Master District meeting.

Mr. Thompson stated that Cinco Municipal Utility District No. 8 ("Cinco 8") sent a letter to the District requesting a written capacity reservation letter from ABHR and a detailed breakdown of the related connection charges from FMI. He requested that the Board authorize ABHR and FMI to provide the requested information.

After review and discussion, and based on the operator's recommendation, Director Palmer moved to (1) approve the operator's report; (2) approve the repair of the well motor and the right-angle drive at water well no. 7 in the amount of \$39,649.00; (3) approve the proposal in for the installation of an 8-foot chain link hurricane fence in the amount of \$15,030.00; (4) approve the proposal for the partial replacement of the wooden fence at water well no. 3 in the amount of \$4,000.00; (5) approve the replacement of sand filter pumps 1 and 2 at the Central WWTP in the amounts of \$14,326.00 for pump 2 and \$17,511.00 for pump 2; and (6) authorize ABHR and FMI to provide the requested items to Cinco 8. Director Bauer seconded the motion, which carried unanimously.

OPERATIONS OF THE TIM G. LAWRENCE PLANT, INCLUDING APPROVE SERVICE CONTRACT AND/OR SERVICE CONTRACT AMENDMENT

Mr. Thompson reviewed a revised Fourth Amendment to Professional Services Agreement with Inframark, which updates and refines the scope of work for Inframark related to the operation of the RO Plant. After review and discussion, Director Bauer moved to approve the Fourth Amendment to Professional Services Agreement with Inframark, as revised, subject to final review. Director Palmer seconded the motion, which passed unanimously.

RESOLUTION DECLARING SURPLUS PROPERTY

The Board considered adopting a Resolution Declaring Surplus Property related to surplus piping and pumping equipment that is no longer needed for District operations. After review and discussion, Director Palmer moved to adopt the Resolution

Declaring Surplus Property and direct that the Resolution be filed appropriately and retained in the District's official records. Director Price seconded the motion, which passed by unanimous vote.

ENGINEER'S REPORT

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

Mr. Mueller reviewed the Sewage Treatment Capacity and Usage Analysis.

Mr. Mueller updated the Board regarding the Jasper Production Well, including the modifications to the thermal oxidizer.

Mr. Mueller updated the Board on the status of the Jasper Well No. 1 transfer pump upgrade project. He reviewed and recommended approval of Pay Estimate No. 5 in the amount of \$71,954.50, submitted by W.W. Payton Corporation ("W.W. Payton"). He also reviewed a Change Order to increase the contract in the amount of \$30,000.00, which includes modifications to the vent piping of the thermal oxidizer and installation of basket strainers. The Board determined that the Change Order is beneficial to the District.

Mr. Mueller updated the Board regarding the design of the effluent reuse facility at the Cinco Regional Reuse Facilities, which includes the additional ground storage tank.

Mr. Mueller updated the Board on the status of the District's Chapter 210 authorization from the TCEQ for the Phase 2 facilities. He stated that BGE is still coordinating with the TCEQ regarding classification under Chapter 210.

Mr. Mueller updated the Board on the status of design of the Phase 2 Reclaimed Distribution System, as reflected in his report.

Mr. Mueller stated that approximately 1,000 feet of the District's water line will conflict with either the sound wall or paving within the future right of way of the proposed expansion of the Grand Parkway and will need to be relocated. He stated that that the District will need to enter into an agreement with Fort Bend County ("FBC") for reimbursement for the project and to maintain the District's existing easement rights.

After review and discussion, and based on the engineer's recommendation, Director Palmer moved to (1) approve the engineer's report; (2) approve Pay Estimate No. 5 in the amount of \$71,954.50 to W.W. Payton; (3) approve the Change Order to increase the contract in the amount of \$30,000.00, submitted by W.W. Payton, based on the Board's determination that the Change Order is beneficial to the District; and (4) authorize ABHR to coordinate with FBC on the preparation of an Interlocal Agreement for the water line relocation project. Director Price seconded the motion, which carried unanimously.

NORTH FORT BEND WATER AUTHORITY MATTERS

There was no discussion on this agenda item.

END USER AGREEMENTS

There were no new end user agreements to consider.

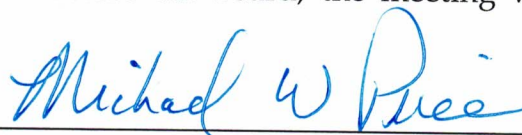
U.S. ARMY CORPS OF ENGINEERS LITIGATION

There was no discussion on this agenda item.

MEETING SCHEDULE AND ITEMS FOR INCLUSION ON THE NEXT AGENDA

There was no discussion on this agenda item.

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



Asst. Secretary, Board of Directors

(SEAL)



LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Bookkeeper's Report.....	2
Water Conservation Report.....	2
NorrisLeal Report	2
Operator's Report.....	3
Engineer's Report.....	5