

MINUTES
CINCO MUNICIPAL UTILITY DISTRICT NO. 1
(Internal)

May 3, 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 May 3, 2022, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, 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 attending the meeting were Tom Crayton and Cindy Harrell of F. Matuska, Inc. ("FMI"); Larry Mueller of BGE, Inc. ("BGE"); Rene Anadel of Wheeler & Associates, Inc.; Jeffrey Knight of Masuen Consulting, LLC; ElizaBeth Reeves of Inframark Water & Infrastructure Services ("Inframark"); and Harry H. Thompson and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PLEDGE OF ALLEGIANCE

The Board conducted the Pledge of Allegiance.

PUBLIC COMMENTS

There were no comments from the public.

MINUTES

The Board considered approving the minutes of the April 5, 2022, regular meeting. After discussion, Director Palmer moved to approve the minutes of the April 5, 2022, regular meeting, as presented. Director Bauer seconded the motion, which passed by a vote of 3-0, with Director Price absent from the meeting.

Director Price entered the meeting.

DISTRICT WEBSITE MATTERS

There was no discussion on this agenda item.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Anadel reviewed the tax assessor/collector's report for the month of April, a copy of which is attached. She reported that 99.17% of the District's 2021 taxes have been collected as of April 30, 2022. Ms. Anadel stated that the District's preliminary assessed value is approximately \$218 million.

After review and discussion, Director Palmer moved to approve the tax assessor/collector's reports and payment of the tax bills. Director Bauer seconded the motion, which passed unanimously.

BOOKKEEPER'S REPORT

Mr. Crayton reviewed the bookkeeper's report, a copy of which is attached, and presented the bills for payment.

Director Cusack stated that he has not received a response to the past several emails he has sent to FMI. He also reported that the gas bill was not paid for several months and the gas service was disconnected to Jasper Well No. 1. Discussion ensued regarding the issues raised by Director Cusack.

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

TRAVEL REIMBURSEMENT GUIDELINES AND DIRECTOR EXPENSES FOR THE ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") SUMMER CONFERENCE

The Board reviewed the Travel Reimbursement Guidelines in connection with the AWBD Summer Conference.

OPERATOR'S REPORT

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

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

Ms. Reeves reviewed one abandoned account with an outstanding balance in excess of \$25 and requested authorization to turn over the account to the collection agency to pursue collection.

After review and discussion, and based on the operator's recommendation, Director Palmer moved to (1) approve the operator's report; and (2) authorize Inframark to turn over the recommended account with an outstanding balance in excess of \$25 to the collection agency. Director Bauer seconded the motion, which passed unanimously.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE

The Board conducted a hearing on the termination of utility service. Ms. Reeves reported that the customers appearing on the termination list were given proper notice and an opportunity to explain, contest, or correct the utility service bills and show reason why utility service should not be terminated for reason of nonpayment, all as required by the District's Rate Order. After discussion, Director Palmer moved that since the customers on the termination list did not attend the meeting or present any written statement on the matter, utility service should be terminated to all of the accounts. Director Price seconded the motion, which passed by unanimous vote.

PROJECT BARKER UPDATE, INCLUDING APPROVAL OF INTERLOCAL AGREEMENT

There was no discussion on this agenda item.

APPROVE CONSUMER CONFIDENCE REPORT ("CCR")

The Board tabled this agenda item.

REVIEW EMERGENCY PREPAREDNESS PLAN ("EPP") AND AUTHORIZE FILING OF UPDATES, IF NECESSARY

The Board discussed the District's EPP. Mr. Mueller stated that some of the contact information needs to be updated. After review and discussion, Director Palmer moved to authorize BGE and Inframark to file any necessary updates with the appropriate entities. Director Bauer seconded the motion, which passed unanimously.

REPORT REGARDING WATER CONSERVATION MATTERS

Mr. Knight updated the Board on water conservation matters in the District.

After review and discussion, Director Palmer moved to approve the verbal conservation report. 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 updated the Board on the status of the Jasper Well No. 1, including the transfer pump upgrade project and the modifications to the thermal oxidizer.

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.

After review and discussion, Director Palmer moved to approve the engineer's report. Director Bauer seconded the motion, which passed unanimously.

BARKER RESERVOIR MATTERS, INCLUDING POTENTIAL PROJECTS AND LITIGATION

Mr. Thompson stated he should have an update for the Board at the Master District Board meeting.

MEETING SCHEDULE AND ITEMS FOR INCLUSION ON THE NEXT AGENDA

The Board concurred to hold the next internal meeting on June 7, 2022, at the offices of ABHR, subject to confirming a quorum.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.074, TEXAS GOVERNMENT CODE, TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE

The Board convened in Executive Session at 11:59 a.m. pursuant to Section 551.074 of the Texas Government Code to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee. Mr. Thompson and Ms. Ramirez were also present.

RECONVENE IN OPEN SESSION

The Board reconvened in Open Session at 12:22 p.m. No action was taken by the Board.

BOOKKEEPER'S REPORT (CONT'D)

The Board discussed the contract for bookkeeping services.

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

Michael W. Pree
Asst. Secretary, Board of Directors

(SEAL)



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