

MINUTES
CINCO MUNICIPAL UTILITY DISTRICT NO. 1
(Internal)

November 7, 2023

The Board of Directors (the "Board") of Cinco Municipal Utility District No. 1 (the "District") met in regular session, open to the public, on November 7, 2023, 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:

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

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

Also attending the meeting were Cara Sliva of Artesian Financial Services, LLC ("AFS"); John Taylor of Masuen Consulting, LLC; Larry Mueller of BGE, Inc.; Dona Washington of Wheeler & Associates, Inc.; 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.

APPROVE MINUTES

The Board considered approving the minutes of the October 3, 2023, regular meeting. After review and discussion, Director Cusack moved to approve the minutes of October 3, 2023, regular meeting, as presented. Director Duncan seconded the motion, which passed unanimously.

DISTRICT WEBSITE MATTERS

There was no discussion on this agenda item.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Washington reviewed the tax assessor/collector's report, a copy of which is attached. She reported that the District's 2023 taxes are 3.84% collected as of October 31, 2023.

After review and discussion, and based on the tax assessor/collector's recommendation, Director Bauer moved to approve the tax assessor/collector's report and payment of the tax bills. Director Duncan seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

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

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

CONDUCT ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

The Board reviewed the District's Investment Policy and concurred no changes were necessary at this time. After review and discussion, Director Bauer moved to adopt a Resolution Regarding Annual Review of Investment Policy and direct that the Resolution be filed appropriately and retained in the District's official records. Director Cusack seconded the motion, which passed unanimously.

REVIEW, REVISE AND ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

The Board considered adopting a resolution that approves a list of authorized depository institutions and a list of qualified broker/dealers with whom the District may engage in investment transactions. After review and discussion, Director Bauer moved to adopt the Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions and direct that the Resolution be filed appropriately and retained in the District's official records. Director Cusack seconded the motion, which passed unanimously.

REPORT REGARDING WATER CONSERVATION MATTERS

Mr. Taylor updated the Board regarding water conservation matters.

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 99%.

Ms. Reeves reviewed one abandoned account with an outstanding balance in excess of \$75.00 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 Cusack moved to (1) accept the operator's report; and (2) authorize Inframark to turn over the recommended account with an outstanding balance in excess of \$75.00 to the collection agency. Director Duncan 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 Cusack 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 Duncan seconded the motion, which passed unanimously.

ENGINEERING MATTERS

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

Mr. Mueller updated the Board on the status of construction of the Claircrest Drive sanitary sewer line repair project. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$46,008.00, submitted by Specialty Construction TX ("Specialty").

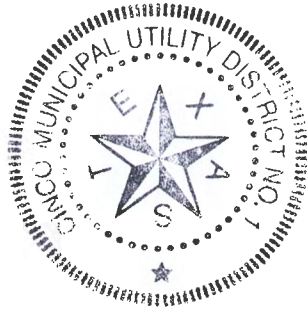
After review and discussion, and based on the engineer's recommendation, Director Bauer moved to (1) accept the engineer's report; and (2) approve Pay Estimate No. 1 in the amount of \$46,008.00 to Specialty. Director Duncan seconded the motion, which passed unanimously.

MEETING SCHEDULE AND ITEMS FOR INCLUSION ON THE NEXT AGENDA

The Board concurred to hold the next internal meeting on December 5, 2023 at 11 a.m. at the offices of ABHR, subject to confirming a quorum.

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

(SEAL)




Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Tax assessor/collector's report	2
Bookkeeper's report.....	2
Operator's report.....	3
Engineer's report.....	3