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MINUTES
CINCO MUNICIPAL UTILITY DISTRICT NO. 1
(Master)

December 13, 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 the 13th day of December, 2023, 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 Duncan, thus constituting a quorum.

Also present at the meeting were Robert Stowe, member of the public; David Drake, director of Cinco Municipal Utility District No. 7; Cara Sliva of Artesian Financial Services, LLC; John Taylor of Masuen Consulting, LLC (“Masuen”); Larry Mueller of BGE, Inc. (“BGE”); ElizaBeth Reeves 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.

On the telephone was Corey Schneider of Earthcare Management.

PLEDGE OF ALLEGIANCE

The Board conducted the Pledge of Allegiance.

COMMENTS FROM THE PUBLIC

Mr. Stowe inquired if Jasper Well No. 1 was in production. The Board stated that matter would be discussed under agenda item no. 8.

APPROVE MINUTES

The Board considered approving the minutes of the November 8, 2023, regular

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meeting and the November 29, 2023, special meeting. After review and discussion, Director Cusack moved to approve the minutes of the November 8, 2023, regular meeting and the November 29, 2023, special meeting, as presented. Director Whitton 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 Bauer moved to approve the bookkeeper's report and the checks presented for payment. Director Cusack 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 report on the efficiency audit of 50 irrigation meters, a copy of which is attached.

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

CELL TOWER LEASE AND AUTHORIZE APPROPRIATE ACTION

Mr. Thompson stated that the District currently has a 25-year lease agreement for a cell tower at the Central Wastewater Treatment Plant site, which will expire in August, 2029. He stated that SBA Communications Corporation submitted two proposals for the Board's consideration, one for a 30-year lease extension and one for a 50-year term easement, copies of which are attached. After discussion, the Board deferred consideration of the proposals, pending further review by the Board.

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

The Board deferred discussion on this agenda item.

OPERATION MATTERS

Ms. Reeves reviewed the operator's report, a copy of which is attached, and stated water accountability for the previous month was 97%. She updated the Board regarding repairs and maintenance performed during the previous month.

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Mr. Reeves reviewed proposals in the amount of \$3,515.00 and \$1,285.00, submitted by RNL Landscaping, for landscaping repairs in and around the Jasper Well No. 1 site.

Ms. Reeves reported on the operations of the Microfiltration Reverse Osmosis Plant ("RO Plant"), including the estimated schedule for delivery and 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 (1) approve the operator's report; and (2) approve the proposals from RNL Landscaping in the amounts of \$3,515.00 and \$1,285.00 for landscaping repairs in and around the Jasper Well No. 1 site. Director Bauer seconded the motion, which passed unanimously.

ENGINEER'S REPORT

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

Mr. Mueller stated that Corona Environmental Consulting is preparing proposals for providing a monitoring/testing plan for Inframark and conforming to Texas Commission on Environmental Quality 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 Wastewater Treatment Plant. He stated that the tank builder is scheduled to mobilize onsite on January 8, 2024. Mr. Mueller stated that he had no action items from JTR Constructors for the Board's approval. After discussion, the Board concurred to consider hosting a ground breaking ceremony for the project.

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 reviewed and recommended approval of Pay Estimate Nos. 3 and 4 and Final in the amounts of \$147,667.50 and \$25,809.65, respectively, submitted by American Wall Systems, L.P. ("AWS"). Mr. Mueller stated that there a few remaining punch list items, so he recommended the Board hold payment for Pay Estimate No. 4 and Final, pending BGE's confirmation that all punch list items have been completed.

Mr. Mueller updated the Board on the status of the SH99 waterline relocation project.

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

Mr. Thompson reported that the North Fort Bend Water Authority (“NFBWA”) has requested the Board approve a proposed Right of Entry Agreement related to the installation and maintenance of an AMR meter on the District’s effluent reuse distribution line. He also reviewed the legal conflicts waiver included therein regarding ABHR’s representation of the District and the NFBWA in connection with certain matters related to the preparation and review of the proposed Right of Entry Agreement with the NFBWA.

After review and discussion, and based on the engineer’s recommendation, Director Cusack moved to (1) approve the engineer’s report; (2) approve Pay Estimate No. 3 in the amount of \$147,667.50 to AWS; (3) approve Pay Estimate No. 4 and Final in the amount of \$25,809.65, payable to AWS, subject to BGE’s confirmation that all punch list items have been completed by the contractor; and (4) approve the Right of Entry Agreement and direct that it be filed appropriately and retained in the District’s official records. Director Bauer seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS (CONT’D)

Ms. Sliva stated that check no. 5021 in the amount of \$173,477.15, payable to AWS, will be voided and replaced with check nos. 5038 and 5039 in the amounts of \$147,667.50 and \$25,809.65, respectively, each payable to AWS.

After review and discussion, Director Whitton moved to approve check nos. 5038 and 5039 in the amounts of \$147,667.50 and \$25,809.65, respectively, each payable to AWS. Director Bauer seconded the motion, which passed unanimously.

FUNDING OF REGIONAL FACILITIES AND AUTHORIZE APPROPRIATE ACTION

There was no discussion on this agenda item.

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

The Board discussed the regular meeting schedule for January. The Board concurred to reschedule the next regular Internal meeting to January 17, 2023 at 11 a.m. at the offices of ABHR.

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

Secretary, Board of Directors

(SEAL)

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