

DRAFT

MINUTES CINCO MUNICIPAL UTILITY DISTRICT NO. 12

January 9, 2023

The Board of Directors (the “Board”) of Cinco Municipal Utility District No. 12 (the “District”) met in regular session on January 9, 2023, at the Cinco Ranch Residential Property Association, 3022 Windemere Park Lane, Katy, Texas, a meeting place outside the boundaries of the District, and the roll was called of the members of the Board being present by in person:

Stephanie Faulk	President
Dana Cleland	Vice President
William Cary	Secretary
Neill Hurley	Assistant Secretary
Tim Kubiak	Assistant Vice President

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

Also attending the meeting in person were Sarah Burson and Jennifer Hicks of Accurate Meter and Supply; Colette Garcia of Forvis, LLP; Ashley David of Syren Entertainment Company; Yvonne Arceneaux of central Green; Roslyn Sanchez of Texas Pride Disposal; Tyson Duncan of AECOM; Rene Andel of Wheeler & Associates, Inc.; Jennifer Abad of Municipal Accounts and Consulting, L.P. (“Municipal Accounts”); Missy Steadman of Inframark Water & Infrastructure Services (“Inframark”); and Harry Thompson and Kim Cannon-Griffin of Allen Boone Humphries Robinson LLP (“ABHR”).

PUBLIC COMMENTS

There were no public comments.

APPROVE MINUTES

The Board considered approving the minutes from the December 12, 2022, regular meeting and the minutes from the December 14, 2022, special meeting. After review and discussion, Director Cary moved to approve the minutes, as presented. Director Kubiak seconded the motion, which passed unanimously.

WEBSITE MATTERS

There was no discussion on this matter.

UPDATE ON CENTRAL GREEN

Ms. Arceneaux introduced Ms. Davis to the Board. She then distributed and reviewed the Central Green report and discussed the upcoming year schedule of events. Ms. Arceneaux and Ms. Davis proposed a Christmas broadcast and concert event to be held at Central Green for 2023, After discussion, the Board requested a proposal and line up for the proposed Christmas event for review at the next Board meeting.

Ms. Arceneaux discussed inclement weather and cancellations of some events. She inquired about potential back up indoor location to host Central Green events in the District that could accommodate about 3,000 people. Discussion ensued.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Anzel reviewed the tax assessor/collector's report, with the Board, a copy of which is attached. She stated that 25.94% of the District's 2022 tax levy has been collected.

The Board discussed the delinquent tax accounts, including delinquent personal property accounts, a copy of which is attached to the tax assessor's report.

After discussion and based on the tax assessor/collector's recommendation, Director Cary moved to approve the tax assessor/collector's report, and payment of the tax bills. Director Kubiak seconded the motion, which passed by unanimous vote.

BOOKKEEPER'S REPORT

Ms. Abad reviewed the bookkeeper's report, a list of checks presented for payment, and the investment report, copies of which are attached.

The Board discussed wire transfers as a form of payment in lieu of paper checks, specifically for Cinco Municipal Utility District No. 1 ("MUD No. 1") for pumpage and connection fees. Ms. Abad stated a request has been sent to MUD No. 1 regarding wire transfer payments. After discussion the Board concurred to authorize execution of the wire form for future payments to MUD No. 1, upon MUD No. 1's approval.

After discussion, and based on the bookkeeper's recommendation, Director Cary moved to approve the bookkeeper's report, and payment of the bills. Director Kubiak seconded the motion, which carried by unanimous vote.

DISCUSS DIRECT DEPOSIT OPTION FOR DIRECTOR PER DIEM CHECKS AND AUTHORIZE APPROPRIATE ACTION

The Board discussed automatic deposits for per diem checks. Ms. Abad stated that all five Directors would have to agree to have the per diem checks auto deposited.

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After discussion, Director Cary moved to continue to receive paper checks for per diems. Director Cleland seconded the motion, which carried by unanimous vote.

APPROVE AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2022

Ms. Garcia reviewed the District's audit for the fiscal year end of September 30, 2022. After discussion, Director Cary moved to approve the District's audit for the fiscal year end of September 30, 2022, subject to final review. Director Kubiak seconded the motion, which passed unanimously.

ENGINEERS REPORT

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

PHASE II MS4 PERMITTING MATTERS

There was no discussion on this matter.

CONSENT TO ENCROACHMENT, UTILITY COMMITMENT LETTERS, OR RESERVATIONS OF CAPACITY

Mr. Duncan stated a site plan was received for 23710 Westheimer Parkway. He noted that correspondence was received from the developer that modifications were made to the building and drawings have been sent to AECOM for review.

PEDESTRIAN SIGNS AND TRAFFIC LIGHT COORDINATION NEAR CINCO RANCH HIGH SCHOOL

Mr. Duncan stated that AECOM received a Notice to Proposed Construction request from the TxDOT engineer and the files have been reviewed.

OPERATOR'S REPORT

Ms. Steadman reviewed the operator's report, a copy of which is attached. She stated water accountability for the previous month was 94%.

The Board discussed the Water Conservation Program and the District's status of the required points.

REVIEW METER SURVEY RESULTS AND DISCUSS SMART METER PURCHASE AND INSTALLATION INCLUDING APPROVE SERVICE AGREEMENT FOR SAME

The Board discussed the meter survey and replacement costs.

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Ms. Burson introduced herself and reviewed a proposal from Accurate Meter & Supply ("Accurate") in the amount of \$300,167.00, for the purchase and installation of residential and commercial smart meters, a copy of which is attached. Discussion ensued regarding the benefits of the residential and commercial smart meters for the residents and the District for tracking water usage and leak detection.

After discussion, and based on the operator's recommendation, Director Cary moved to approve the operator's report and approve the proposal from Accurate for the purchase and installation of residential and commercial meters in the amount of \$300,167.00, subject to an agreement with Accurate to be discussed in the next Director meeting. Director Kubiak seconded the motion, which carried unanimously.

TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS AND AUTHORIZE TERMINATION OF SERVICE

Ms. Steadman stated that there were two delinquent accounts for the month of December 2022 that remain unpaid, a copy of which is attached to the operator's report. She reported the residents on the termination list were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment. Following review and discussion, Director Cary moved to authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. The motion was seconded by Director Hurley and passed by unanimous vote.

UPDATE ON LANDSCAPE MAINTENANCE ASSOCIATION ("LMA") LANDSCAPE IMPROVEMENTS

There was no discussion on this matter.

DISCUSS SECURITY REPORTS

The Board discussed the traffic reports, copies of which are attached.

After discussion, Director Kubiak moved to approve the security reports, and authorize payments to District officers per the contract guidelines. Director Cary seconded the motion, which carried by unanimous vote.

COMMUNITY IMPROVEMENTS

Director Cleland discussed pickle ball courts and the Homeowner Association's ("HOA") possible interest in renovating the tennis courts into pickle ball courts. He stated that the HOA does not currently have funds in their 2023 budget for pickle ball courts. Discussion ensued regarding possible locations for installation of a public pickle ball court and contribution of public funds for same.

DISCUSS NOISE WALLS

There was no discussion on this matter.

DISCUSS GARBAGE MATTERS

The Board discussed the current garbage pick-up issues. Ms. Sanchez addressed the Board and explained the holiday collection challenges, which included excessive amounts of trash and long lines at the dump sites. Director Kubiak noted many complaints from residents regarding ongoing missed trash collection and issues with pick-ups in multiple areas around the city that are also contracted with Texas Pride. Director Cleland noted the lack of clear communication to the District and non-performance of the contract procedures for missed pickups. The Board discussed the contract expiration date of September 2023.

After discussion, Director Cary moved to authorize ABHR to send a Notice letter to Texas Pride for non-performance of the contract for garbage collection. Director Kubiak seconded the motion, which carried by unanimous vote.

CORPS OF ENGINEER'S UPSTREAM LITIGATION

Mr. Thompson stated a town hall meeting is currently being scheduled to discuss the upstream litigation.

MEETING SCHEDULE

The Board concurred to have the next regular meeting on February 13, 2023, at 6:00 p.m., at the Cinco Ranch Homeowners Association building located on Windemere Road.

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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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