

DRAFT

MINUTES CINCO MUNICIPAL UTILITY DISTRICT NO. 12

November 14, 2022

The Board of Directors (the “Board”) of Cinco Municipal Utility District No. 12 (the “District”) met in regular session on November 14, 2022, 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 Derek Michael of SRI, Inc.; 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 October 10, 2022, Board 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. Cannon distributed the Central Green events report prepared by Yvonne Arceneaux, a copy of which is attached.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Anadel reviewed the tax assessor/collector's report, with the Board, a copy of which is attached. She stated that 1.84% 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.

Ms. Abad discussed the payments to Cinco Municipal Utility District No. 1 ("MUD No, 1") for pumpage and connection fees. She stated that MUD No. 1 requested that a holding check be approved at the Director's monthly meetings in the event an invoice is due, to the north Fort bend Regional water Authority. Discussion ensued regarding wire transfers as a form of payment in lieu of paper checks.

After discussion, and based on the bookkeeper's recommendation, Director Cary moved to approve the bookkeeper's report and payment of the bills as well as a holding check for MUD No. 1 moving forward. Director Kubiak seconded the motion, which carried by unanimous vote.

APPROVE SRI, INC. CONTRACT AMENDMENT

Mr. Michael distributed and reviewed the sales tax allocation report, a copy of which is attached.

Mr. Michael distributed and reviewed a new Sales Tax Monitoring agreement. He stated the previous Agreement with the District was from 2013, and discussed the changes to the new Agreement, including a fee increase. After discussion, Director Cleland moved to approve the new Sales Tax Monitoring contract, and direct that the Agreement be filed appropriately and retained in the District's official records. Director Cary seconded the motion, which carried by unanimous vote.

DISCUSS BOOKKEEPER CONTRACT

There was no discussion on this matter.

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

There was no discussion on this matter.

PEDESTRIAN SIGNS AND TRAFFIC LIGHT COORDINATION NEAR CINCO RANCH HIGH SCHOOL

Mr. Duncan distributed and review the Fort Bend County plans for the Grand Parkway frontage road project. Mr. Duncan discussed the lack of construction plans for the Northbound side of Grand Parkway but noted significant improvements to the Southbound side.

After discussion, Director Cary moved to approve the engineer's report. Director Kubiak seconded the motion, which carried by unanimous vote.

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 95%.

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

APPROVE AMENDMENT TO OPERATOR'S CONTRACT

Ms. Steadman presented and reviewed a Second Amendment to the Operator's Agreement. She stated the Amendment includes the standard annual yearly increase as well as a fuel surcharge. After discussion, Director Cary moved to approve the Amendment to the operator's contract, as presented, and direct that the Amendment be filed appropriately and retained in the District's official records Director Kubiak seconded the motion, which carried by unanimous vote.

DRAFT

REVIEW METER SURVEY RESULTS AND DISCUSS SMART METER PURCHASE

Ms. Steadman stated the meter survey is complete and Inframark will report on the results at next month's Board meeting.

After discussion, and based on the operator's recommendation, Director Cary moved to approve the operator's report. Director Kubiak seconded the motion, which carried unanimously.

RESOLUTION APPROVING CENTRAL BANK'S ELETRONIC LOCKBOX PAYMENT SERVICES FOR DISTRICT CUSTOMERS, ADDENDUM TO OPERATOR SERVICES AGREEMENT, AND PROCESSING AGREEMENT WITH CENTRAL BANK

Ms. Steadman reviewed and recommended approval of a Resolution Approving Central Bank's Electronic Lockbox Payment Services for District Customers, Processing Agreement with Central Bank, and Addendum to Operator Services Agreement with Inframark, LLC.

After review and discussion, and based on the operator's recommendation, Director Cary moved to (1) adopt the Resolution Approving Central Bank's Electronic Lockbox Payment Services for District Customers; (2) approve a Processing Agreement with Central Bank; and (3) approve the Addendum to Operator Services Agreement between the District and Inframark. Director Kubiak seconded the motion, which passed unanimously.

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

Ms. Steadman stated that that there were no delinquent accounts for the month of October 2022.

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

Director Cleland reported that the LMA has installed the three Monterrey oak trees at Torchlight Terrace Park.

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.

UPDATE ON FLOCK SECURITY CAMERA INSTALLATION

Director Kubiak stated that Flock Security has begun installation of the security cameras. Discussion ensued regarding the Flock security camera communication capabilities throughout the state and benefits of same.

DISCUSS CHRISTMAS DECORATION CONTEST DATE

The Board discussed the Christmas light decoration contest. Director Kubiak stated the flyers and signs have been ordered. After discussion, Director Kubiak moved to schedule the Christmas light decoration contest on December 14, 2022 at 6:00 p.m. and authorize associated per diems for Directors that attend. Director Cary seconded the motion, which carried by unanimous vote.

COMMUNITY IMPROVEMENTS

The Board discussed pickle ball courts and the Homeowner Association's possible interest in renovating the tennis courts.

DISCUSS NOISE WALLS

Director Cleland discussed the upcoming meeting on November 30, 2022 regarding an update on the noise wall project by TXDoT.

DISCUSS GARBAGE MATTERS

The Board discussed the current contract with Texas Pride.

CORPS OF ENGINEER'S UPSTREAM LITIGATION

The Board deferred discussion on this matter to be held in executive session.

MEETING SCHEDULE

The Board concurred to have the next regular meeting on December 12, 2022, at 6:00 p.m., at the Cinco Ranch Homeowners Association building located on Windemere Road.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER

The Board convened in executive session at 7:45 p.m., to conduct a private consultation with the District's attorney to discuss pending or contemplated litigation

DRAFT

or to seek and receive legal advice by the District's attorney. Mr. Thompson and Ms. Cannon were present.

RECONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER

The Board reconvened in open session at 8:11 p.m. The Board did not take action.

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

Secretary, Board of Directors

(SEAL)

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Central Green report.....	1
Tax assessor/collector's Report	2
Bookkeeper's Report.....	2
SRI report	2
Engineer's Report.....	3
Operator's Report.....	3
Security reports	4