

MINUTES  
CINCO MUNICIPAL UTILITY DISTRICT NO. 14

January 25, 2023

The Board of Directors of Cinco Municipal Utility District No. 14 met in regular session, open to the public, on the 25th day of January, 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:

James Reuss	President
Patrick McDonald	Vice President
Patrick Carlson	Secretary
Leroy Mensik	Assistant Secretary
Josephine Traylor	Assistant Vice President/ Assistant Secretary

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

Also attending in person or via teleconference were Beth Anne Gunn, David Gunn, Thomas McCaig, Bronda Goates and Faye Eftkhar, residents of the District; Kevin Atkinson of Texas Pride Disposal ("Texas Pride"); Matthew May and Dane Turner of Best Trash, LLC; Jennifer Hanna of FORVIS, LLP; Rene Anandel of Wheeler and Associates, Inc.; Lynnette Tujague of District Data Services, Inc.; Mirna Bonilla-Odums and Michelle Steadman of Inframark, LLC ("Inframark"); Larry Mueller of BGE, Inc.; and Duggan Baker and Kathryn Blanton of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Ms. Gunn introduced herself to the Board as a resident of the District. She reported ongoing garbage and recycling collection issues. She then stated that an exterminator came to her residence due to rats which were caused by garbage collecting in the street.

Mr. McCaig introduced himself to the Board as a resident of the District. He reported garbage and recycling collection issues. He then suggested suspending recycling collection so that Texas Pride can focus on garbage collection.

APPROVE MINUTES

The Board considered approving the minutes of the December 28, 2022 regular meeting, submitted in advance. After review and discussion, Director Carlson moved to approve the minutes, as submitted. Director Mensik seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING MATTERS

The Board reviewed a proposal for garbage and recycling collection services submitted by Royal Eagle Waste, a copy of which is attached.

Mr. May presented a proposal for garbage and recycling collection services with Best Trash, a copy of which is attached.

Mr. Atkinson discussed weather and staffing issues which have caused garbage and recycling collection delays during the months of December and January. Discussion ensued regarding details of the garbage and recycling service proposals.

APPROVE AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2022

Ms. Hanna reviewed the District's audit for fiscal year end September 30, 2022. After review and discussion, Director Mensik moved to approve the District's audit for fiscal year end September 30, 2022, subject to final review and approval by the District's consultants and final comments from the Board of Directors. Director Carlson seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Tujague reviewed the bookkeeper's report, including the bills for payment, a copy of which is attached.

In accordance with the District's Investment Policy, the Board considered the annual disclosure statements of the District's bookkeeper and investment officer. Mr. Baker explained that the statements disclose any relationships with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District, and that the disclosure statements will be filed with the Texas Ethics Commission and the District.

Following review and discussion, Director Carlson moved to (1) approve the bookkeeper's report and payment of the bills; and (2) accept the disclosure statements as presented and authorize that such disclosure statements be filed appropriately. Director Traylor seconded the motion, which passed unanimously.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Mr. Baker reviewed the District's Post-Issuance Compliance Policy and reported on the District's compliance activities during the prior calendar year related to bond financings. He stated that no corrective action is required at this time. Following discussion, Director Mensik moved to approve the Annual Report Regarding Post-Issuance Compliance. Director Carlson seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Andel presented the tax assessor/collector's report for the month of December and the delinquent tax roll, copies of which are attached. She stated that 63.94% of the 2022 taxes were collected by the end of December.

Following review and discussion, Director Traylor moved to approve the tax assessor/collector's report and payment of the checks drawn on the tax account. Director Mensik seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Mr. Mueller reviewed the engineering report, a copy of which is attached.

Mr. Mueller provided an update regarding the Phase II, GIS system, stating that work is expected to be completed in the next two to three months.

Mr. Mueller stated that the District has added a pumping unit to the lift station, and that the District's insurance coverage will be updated showing the addition.

Mr. Mueller provided an updated regarding the sanitary repair along Cinco Ranch Boulevard at Claircrest, stating that the project is currently under design.

Following review and discussion, Director Carlson moved to approve the engineering report. Director Mensik seconded the motion, which passed unanimously.

PHASE II SMALL MS4 GENERAL PERMT AND STORM WATER MANAGEMENT PLAN

There was no discussion on this agenda item.

OPERATION OF DISTRICT FACILITIES

Ms. Bonilla-Odums reviewed the operator's report for December, a copy of which is attached, and updated the Board on facility repair and maintenance matters. She reported the water accountability was 94% for the previous month.

Ms. Bonilla-Odums presented and reviewed a Resolution Approving Submittal of Water Smart Application for Inclusion in the Association of Water Board Directors ("AWBD") Water Smart Partner Program.

Ms. Bonilla-Odums reported that the District information postcards have been finalized and printed. She stated that once received, Inframark will deliver the postcards to Director Carlson.

Ms. Bonilla-Odums reported that the District is on the schedule to televise the sanitary sewer lines located in sections 10 and 14.

Ms. Bonilla-Odums reported that the District's last valve survey was performed in 2019. She presented a proposal from Inframark for a new valve survey in the amount of \$17,100, a copy of which is attached.

Ms. Bonilla-Odums discussed recycling the smart meters in storage. She stated that the District will receive approximately \$1,000.00 for the 1" meters, and that the 5/8" meters are not eligible for recycling due to the material.

Ms. Steadman requested authorization from the Board for the District's participation in the 2023 Water Fest.

The Board conducted a hearing on the termination of utility service. Ms. Bonilla-Odums reported that the residents on the termination list provided to the Board were mailed written notice prior to this meeting in accordance with the Rate Order, notifying them of the opportunity to appear before the Board of Directors to explain, contest, or correct the utility service bill and to show reason why the utility service should not be terminated for reason of nonpayment.

After review and discussion, Director Traylor moved to (1) approve the operator's report; (2) approve the Resolution Approving Submittal of Water Smart Application for Inclusion in the AWBD Water Smart Partner Program; (3) approve the proposal from Inframark for a valve survey in the amount of \$17,000; (4) authorize Inframark to recycle the 1" meters and to properly dispose of the 5/8" smart meters; (5) authorize Inframark to terminate the storage of the smart meters; (6) approve the District's participation in 2023 Water Fest; (7) authorize termination of delinquent accounts in accordance with the District's Rate Order; and (8) direct that the Application and termination list be filed appropriately and retained in the District's records. Director Carlson seconded the motion, which passed unanimously.

#### NORTH FORT BEND WATER AUTHORITY MATTERS

Ms. Bonilla-Odums updated the Board regarding the North Fort Bend Water Authority Water Provider Conservation Program.

#### DISTRICT WEBSITE MATTERS

The Board reviewed the analytics report provided by Off Cinco, a copy of which is attached.

Mr. Baker discussed posting a link for Hurricane Harvey Litigation to the District's website. Following discussion, Director Traylor moved to approve the posting a link for Hurricane Harvey Litigation to the District's website. Director Carlson seconded the motion, which passed unanimously.

DISCUSS MEETING SCHEDULE

The Board concurred to hold the next meeting on February 22, 2023.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS ON DISTRICT OPERATIONS

There was no discussion on this agenda item.

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 12:27 p.m., pursuant to Section 551.071 of the Texas Government Code, in order to conduct a private consultation with the District's attorneys regarding potential litigation. In attendance were Directors Reuss, Carlson, Traylor, and Mensik, Mr. Baker and Ms. Blanton.

RECONVENE IN OPEN SESSION

The Board reconvened in open session at 12:44 p.m. After discussion, Director Reuss moved to (1) approve a thirty-day Notice of Termination Letter to Texas Pride; (2) approve the proposed service agreement with Best Trash at the monthly rate of \$20.35 per resident, subject to finalization by ABHR; and (3) authorize Director Reuss to execute the service agreement with Best Trash. Director Carlson seconded the motion, which passed unanimously.

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

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Secretary, Board of Directors

(SEAL)

ATTACHMENTS TO MINUTES

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