

MINUTES
CINCO MUNICIPAL UTILITY DISTRICT NO. 14

May 25, 2022

The Board of Directors of Cinco Municipal Utility District No. 14 met in regular session, open to the public, on the 25th day of May, 2022, 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 Mensik, thus constituting a quorum.

Also attending were Rachel Yelin, a resident of the District; Eric Storm of the AL Law Group ("AL"); Larry Mueller of BGE, Inc. ("BGE"); Rene Anadel of Wheeler and Associates, Inc. ("Wheeler"); Nico Steen of District Data Services, Inc. ("DDS"); Robert Lugo of Inframark, LLC ("Inframark"); and Heather Trachtenberg and Lelia Pappas of Allen Boone Humphries Robinson LLP ("ABHR").

Attending via teleconference during executive session only was Conner Best of Munsch Hardt Kopf & Harr, P.C.

PUBLIC COMMENTS

Ms. Yelin discussed plans by the Odessa Kilpatrick Elementary School Parent Teacher Association ("PTA") to construct a shade structure over the basketball court at the school. She reported that the PTA has received two quotes to build the shade structure in the amounts of \$140,458.91 and \$165,855.00. She further stated that the PTA has already raised approximately \$60,000.00 for the project. Ms. Yelin requested that the District make a contribution toward the construction of the shade structure. In response to a question from the Board, Ms. Yelin reported that Katy Independent School District will not contribute towards the cost of the shade structure. Discussion ensued and the Board concurred to defer action on this request.

2022 DIRECTORS ELECTION

CERTIFICATES OF ELECTION

The Board considered approving a Certificate of Election reflecting the re-election Patrick McDonald and Leroy Mensik to the Board of Directors of the District for four-year terms.

DIRECTORS' SWORN STATEMENTS AND OATHS OF OFFICE

The Board considered accepting the Sworn Statements and Oaths of Office for Directors McDonald and Mensik.

DISTRICT REGISTRATION FORM

The Board then considered authorizing filing an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ") reflecting the terms of the newly elected directors.

Following review and discussion, Director Traylor moved to (1) approve the Certificates of Election; (2) approve the Sworn Statements and Oaths of Office; (3) authorize filing of the updated District Registration Form with the TCEQ; and (4) authorize filing of the Oaths of Office with the Secretary of State as required by law. Director Carlson seconded the motion, which passed unanimously.

REORGANIZE THE BOARD

The Board concurred to take no action on this agenda item.

APPROVE MINUTES

The Board considered approving the minutes of the April 27, 2022, regular meeting, submitted in advance. After review and discussion, Director Carlson moved to approve the minutes, as submitted. Director McDonald seconded the motion, and the motion passed unanimously.

GARBAGE AND RECYCLING MATTERS

The Board generally discussed garbage and recycling matters.

TRAVEL REIMBURSEMENT GUIDELINES AND DIRECTOR EXPENSES

The Board generally discussed the District's Travel Reimbursement Guidelines for the upcoming Association of Water Board Directors ("AWBD") summer conference.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Steen reviewed the bookkeeper's report, including the bills for payment, a copy of which is attached. Following review and discussion, Director McDonald moved to approve the bookkeeper's report and payment of the bills. Director Traylor seconded the motion, and the motion passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Andel presented the tax assessor/collector's report for the month of April and the delinquent tax roll, copies of which are attached. She stated that 98.03% of the 2021 taxes were collected by the end of April. Discussion ensued regarding various delinquent accounts. After review and discussion, Director Carlson moved to approve the tax assessor/collector's report and payment of the checks drawn on the tax account. Director McDonald seconded the motion, and the motion passed unanimously.

ENGINEERING MATTERS

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

Mr. Mueller updated the Board on the installation of the Godwin Model NC100 Dri-Prime Back-Up Natural Gas Specialized Pumping System ("Back-Up System") for the lift station and reported that the equipment is scheduled to ship on June 20th. Mr. Mueller stated that he has requested an updated quote from Hahn Equipment ("Hahn") on the installation of on-site piping for the Back-Up System. He noted that last year Hahn provided a quote of \$24,800.00 for site improvements and on-site pumping. Discussion ensued regarding the solicitation of additional bids if Hahn provided a quote in an amount greater than \$25,000, as well as the requirements of Texas Local Government Code § 252.022(a)(7).

After discussion, Director Reuss moved to (1) approve the engineering report. Director McDonald seconded the motion, and the motion passed unanimously.

CRITICAL LOAD SPREADSHEET FOR THE DISTRICT'S FACILITIES

The Board took no action on this agenda item.

STORM WATER PERMITTING MATTERS AND STORM WATER MANAGEMENT PLAN

There was no discussion on this agenda item.

OPERATION OF DISTRICT FACILITIES, INCLUDING CONSUMER CONFIDENCE REPORT AND CERTIFICATE FILING WITH THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Mr. Lugo reviewed the operator's report for March, a copy of which is attached, and updated the Board on facility repair and maintenance matters. He reported the water accountability was 95% for the previous month.

Mr. Lugo then reviewed the Consumer Confidence Report ("CCR") with the Board, a copy of which is attached to the operator's report. He reported that the District's drinking water is regulated by the Texas Commission on Environmental Quality

("TCEQ") to ensure the water is meeting all of the requirements as stated in the Federal Drinking Water Standards, which also requires the District to provide a CCR to residents in the District regarding the status of the drinking water. Mr. Lugo reported that a link to the CCR will be provided on this month's utility bill.

The Board reviewed a report showing the number EyeOnWater subscribers in the District, a copy of which is included in the operations report.

In response to a question from the Board, Mr. Lugo reported that when water meters in the District register a zero read it does not necessarily mean that the residence used no water but rather that less than 1,000 gallons of water were used during the billing cycle. He noted that he has reviewed all accounts registering zero reads and all of the accounts did use some water during the billing cycle and are therefore being charged the base water rate fee according to the District's Rate Order.

The Board requested that Mr. Lugo coordinate having a representative from Accurate Meter and Supply attend the June Board meeting.

Discussion ensued regarding a charge for \$2,700.00 to disassemble a 50-foot radio tower and haul away the debris. The Board requested that Mr. Lugo investigate this charge and report on the reason for the disassembly and whether or not the debris were sold for scrap at the June Board meeting.

Discussion ensued regarding a quote from Edustrial Solutions ("Edustrial") for fire hydrant repair services in the amount of \$51,358.12. Discussion ensued and Mr. Lugo reported that he will bring an estimate to the June Board meeting for Inframark to complete the repairs and he will request that Edustrial inspect certain fire hydrants to determine whether they need to be raised or if they only need landscaping work done.

The Board then discussed the District's 5-year Maintenance Plan and Mr. Lugo reported that he is coordinating with the engineer to update the plan.

After review and discussion, Director Carlson moved to (1) approve the operator's report; and (2) approve the CCR, authorize the operator to provide an electronic link to the CCR on District water bills and file the related certificate with the TCEQ, and direct that the CCR be filed appropriately and retained in the District's official records. Director Traylor seconded the motion, which passed unanimously.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT ACCOUNTS

The Board conducted a hearing on the termination of utility service. Mr. Lugo 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 discussion, Director Carlson moved that, because the residents on the termination list were neither present at the meeting nor had presented any statement on the matter, utility service should be terminated in accordance with procedures set forth in the Rate Order and directed that the termination list be filed appropriately and retained in the District's official records. Director Traylor seconded the motion, and the motion passed unanimously.

NORTH FORT BEND WATER AUTHORITY ("NFBWA") MATTERS

There was no discussion on this agenda item.

DISTRICT WEBSITE MATTERS

The Board requested that ABHR direct Off Cinco to post the information regarding the NFBWA Wise Guys program on the District's website.

CYBERSECURITY MATTERS

Ms. Trachtenberg discussed information that is available from federal and state agencies concerning the risk of potential malicious cyber activity. She reported that there is heightened awareness surrounding the increased risk cybersecurity attacks on water and wastewater utilities, including attacks from foreign countries. Ms. Trachtenberg reported on an increase in fraudulent banking activities, including check washing and requests for payments via wire transfer from entities impersonating legitimate district vendors. The Board discussed online resources regarding cybersecurity issues including the Cybersecurity and Infrastructure Security Agency websites.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS ON DISTRICT OPERATIONS

Discussion ensued regarding the number of subscribers to the EyeOnWater application, how the District can encourage more residents to subscribe, and the benefits of the NFBWA Wise Guys program.

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 12:00 p.m. to conduct a private consultation with the District's attorneys regarding potential litigation. In attendance were Directors Reuss, Traylor, McDonald, and Carlson, Ms. Trachtenberg, Ms. Pappas, Mr. Storm, and Mr. Best.

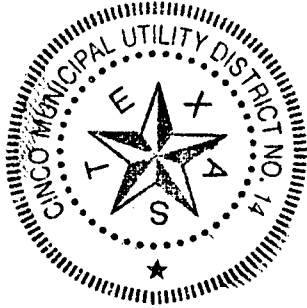
RECONVENE IN OPEN SESSION

The Board reconvened in open session at 1:23 p.m. The Board took no action during executive session.

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


Secretary, Board of Directors

(SEAL)



ATTACHMENTS TO MINUTES

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