

MINUTES
CINCO MUNICIPAL UTILITY DISTRICT NO. 14

June 28, 2023

The Board of Directors of Cinco Municipal Utility District No. 14 met in regular session, open to the public, on the 28th day of June, 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 Directors McDonald and Mensik, thus constituting a quorum.

Also attending in person were Sarah Hubbell, a resident of the District; Rene Anandel of Wheeler and Associates, Inc.; Stephanie Viator of District Data Services, Inc.; Mirna Bonilla-Odums of Inframark, LLC (“Inframark”); Larry Mueller of BGE, Inc. (“BGE”); and Duggan Baker and Kathryn Blanton of Allen Boone Humphries Robinson LLP (“ABHR”).

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

PUBLIC COMMENTS

Ms. Hubbell discussed a request from Willow Fork Drainage District regarding a proposed contribution for a pedestrian underpass located at Buffalo Bayou. Discussion ensued regarding funding options for the proposed pedestrian underpass.

APPROVE MINUTES

The Board considered approving the minutes of the May 24, 2023 regular meeting, submitted in advance. After review and discussion, Director Carlson moved to approve the minutes, as submitted. Director Traylor seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING MATTERS

There was no discussion on this matter.

FINANCIAL AND BOOKKEEPING MATTERS

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

Mr. Baker reported that House Bill No. 2815, which became effective on June 18, 2023, sets the maximum water district director fees of office at the per diem amount set by the Texas Ethics Commission for members of the legislature. He noted that, pursuant to House Bill No. 2815, the current maximum amount for director fees of office is \$221.00.

Following review and discussion, Director Traylor moved to (1) approve the bookkeeper's report and payment of the bills; and (2) approve payment of directors' fees of office at the new maximum amount allowed by law, effective as of June 18, 2023. Director Carlson seconded the motion, which passed unanimously.

DISCUSS ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") SUMMER CONFERENCE, APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES, AND AUTHORIZE ATTENDANCE AT WINTER CONFERENCE/TRAVEL REIMBURSEMENT GUIDELINES AND DIRECTOR EXPENSES

The Board discussed the AWBD summer conference and considered authorizing attendance at the winter conference. Following review and discussion, Director Reuss moved to (1) approve reimbursement of all eligible expenses for Directors who attended the summer conference, which the District's bookkeeper confirmed are in compliance with the District's Travel Reimbursement Guidelines; and (2) authorize attendance of any interested Directors at the winter conference. Director Carlson seconded the motion, which passed unanimously.

INSURANCE POLICIES

The Board reviewed a proposal from McDonald & Wessendorff Insurance to renew the District's insurance policies. Following review and discussion, Director Traylor moved to approve the renewal proposal, as presented. Director Carlson seconded the motion, which passed unanimously.

ADOPT RESOLUTION NOMINATING CANDIDATE FOR BOARD OF DIRECTOR ELECTION FOR FORT BEND CENTRAL APPRAISAL DISTRICT ("FBCAD")

Mr. Baker stated the Board has the option to nominate a candidate for the FBCAD Board of Directors. Following discussion, Director Reuss moved to nominate Michael Rozell for Board of Directors Election of the FBCAD and direct that the Resolution be filed appropriately and retained in the District's official records. Director Traylor seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Andel presented the tax assessor/collector's report for the previous month and the delinquent tax roll, copies of which are attached. She stated that 98.93% of the 2022 taxes were collected. Following 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 Traylor seconded the motion, which passed unanimously.

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH THE COLLECTION OF DELINQUENT TAXES

The Board considered authorizing its delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, LP, to begin collection of delinquent District taxes as of July 1, 2023. Following discussion, Director Carlson made a motion to authorize the delinquent tax attorney to proceed with collection of delinquent personal and real property tax accounts when appropriate. Director Traylor seconded the motion, which passed unanimously.

ENGINEERING MATTERS

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

Mr. Mueller reported that the District fire hydrant survey locations have been added to the GIS system.

Mr. Mueller provided an update regarding the sanitary repair along Cinco Ranch Boulevard at Claircrest, stating that design plans have been approved and construction has been delayed until July 2023.

Following review and discussion, Director Carlson moved to approve the engineer's report. Director Traylor seconded the motion, which passed unanimously.

STORM WATER PERMITTING MATTERS AND STORM WATER MANAGEMENT PROGRAM

There was no discussion on this matter.

OPERATION OF DISTRICT FACILITIES

Ms. Bonilla-Odums reviewed the operator's report, a copy of which is attached, and updated the Board on facility repair and maintenance matters. She reported the water accountability was 93% for the previous month.

Ms. Bonilla-Odums reported that the Board approved valve repairs have been completed.

Ms. Bonilla-Odums reported that the Board approved sanitary sewer lines repairs are in progress.

Ms. Bonilla-Odums presented a proposal in the amount of \$7,560.00, submitted by Inframark to perform annual commercial meter testing. A copy of the proposal is attached to the operator's report.

Mr. Baker reviewed the 2022 Consumer Price Index ("CPI") adjustment notice for the District, a copy of which is attached to the operator's report, stating the current rate will increase by 4.408% from \$3.09 to \$3.23 per month per residence effective June 28, 2023. The Board considered amending the District's Rate Order to recover the cost of the 4.408% CPI increase. Mr. Baker reviewed a handout of proposed revisions to the Rate Order, a copy of which is included in the operator's report. Discussion ensued.

Ms. Bonilla-Odums requested Board authorization to send one uncollectible account totaling \$76.59 to a collection agency and write off one delinquent account under \$25.00.

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 Amended Rate Order, subject to finalization by Inframark and ABHR; (3) authorize the operator to send one uncollectible account totaling \$76.59 to a collection agency and write off one delinquent account under \$25.00; (4) authorize termination of delinquent accounts in accordance with the District's Rate Order; and (5) direct that the Amended Rate Order and termination list be filed appropriately and retained in the District's official records. Director Carlson seconded the motion, which passed unanimously.

North Fort Bend Water Authority ("NFBWA") MATTERS

Ms. Bonilla-Odums reviewed the NFBWA 2023 Water Provider Conservation Program initiatives.

DISTRICT WEBSITE MATTERS

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

DISCUSS MEETING SCHEDULE

The Board concurred to hold the next meeting on July 26, 2023.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS ON DISTRICT OPERATIONS

There was no discussion on this matter.

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 11:55 a.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, and Traylor, Mr. Best, Mr. Baker and Ms. Blanton.

RECONVENE IN OPEN SESSION

The Board reconvened in open session at 12:01 p.m. After discussion, Director Traylor moved to (1) ratify approval for Director Reuss to execute the vendor authorization form received by Mueller Systems, LLC; and (2) approve Contract Amendment No. 1 to Settlement and Release Agreement. Director Carlson seconded the motion, which passed unanimously.

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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