

MINUTES
CINCO MUNICIPAL UTILITY DISTRICT NO. 14

August 23, 2023

The Board of Directors of Cinco Municipal Utility District No. 14 met in regular session, open to the public, on the 23rd day of August, 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 Reuss and McDonald, thus constituting a quorum.

Also attending in person were Spencer Day of Masterson Advisors LLC; Larry Mueller of BGE, Inc.; Rene Anadel of Wheeler and Associates, Inc.; Lynnette Tujague of District Data Services, Inc.; Mirna Bonilla-Odums of Inframark, LLC (“Inframark”); and Duggan Baker and Kathryn Blanton of Allen Boone Humphries Robinson LLP (“ABHR”).

PUBLIC COMMENTS

There were no public comments.

APPROVE MINUTES

The Board considered approving the minutes of the July 26, 2023 regular meeting, submitted in advance. After review and discussion, Director Traylor moved to approve the minutes, as submitted. Director Mensik seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING MATTERS

There was no discussion on this matter.

FINANCIAL AND BOOKKEEPING MATTERS

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

Ms. Tujague reviewed a proposed budget for fiscal year end September 30, 2024, a copy of which is attached to the bookkeeper's report. She requested input from the Board and consultants on the draft budget prior to the September Board meeting.

Following review and discussion, Director Mensik moved to approve the bookkeeper's report and payment of the bills. 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 99.41% of the 2022 taxes were collected.

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.

DISCUSS 2023 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the District's 2023 tax rate. Mr. Day distributed and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2023 debt service tax rate of \$0.14 per \$100 of assessed valuation; based on the District's initial 2023 certified value of \$762,841,427, plus \$1,056,695 representing 90% of the uncertified value under protest. A copy of the debt service tax rate analysis is attached. The Board then discussed the District's operation and maintenance tax rate. Mr. Day discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Traylor moved to: (1) set the public hearing date for September 27, 2023; and (2) authorize the tax assessor/collector to publish notice in the Houston Chronicle Newspaper/Katy Rancher of the District's meeting on September 27, 2023, to set the proposed 2023 total tax rate of \$0.45 per \$100 of assessed valuation. 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 sanitary repair along Cinco Ranch Boulevard at Claircrest. He reported that design plans have been approved and construction has been delayed.

Following review and discussion, Director Mensik moved to approve the engineering 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 94% for the previous month.

Ms. Bonilla-Odums reported that the Board approved sanitary sewer lines repairs have been completed.

Ms. Bonilla-Odums reported that water conservation plan signs have been placed throughout the District.

Ms. Bonilla-Odums reported that Inframark has contacted Accurate Utility Supply, LLC ("Accurate") regarding the communication issues with in-District meters, which can be replaced under warranty. She then stated that Accurate performed a software update to remedy the communication issues, and that a team is mobilized to reset the meter endpoints. Ms. Bonilla-Odums reported that Inframark is monitoring the situation and submitting work orders.

Ms. Bonilla-Odums requested Board authorization to send two uncollectible accounts totaling \$317.90 to a collection agency.

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) authorize the operator to send two uncollectible accounts totaling \$317.90 to a collection agency; (3) authorize termination of delinquent accounts in accordance with the District's Rate Order; and (4) direct that the termination list be filed appropriately and retained in the District's official records. Director Mensik 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.

Ms. Bonilla-Odums stated that the NFBWA is reducing the amount of water

provided but this does not affect the District.

DISTRICT WEBSITE MATTERS

There was no discussion on this matter.

DISCUSS MEETING SCHEDULE

The Board concurred to hold the next meeting on September 27, 2023.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS ON DISTRICT OPERATIONS

There was no discussion on this matter.

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

Secretary, Board of Directors

(SEAL)

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