

MINUTES
CINCO MUNICIPAL UTILITY DISTRICT NO. 14

December 28, 2022

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

Also attending in person were Rene Anadel 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. (“BGE”); and Heather Trachtenberg, Duggan Baker, Kathryn Blanton, and Sydney Durham of Allen Boone Humphries Robinson LLP (“ABHR”).

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board considered approving the minutes of the November 16, 2022 regular meeting, submitted in advance. After review and discussion, Director Mensik moved to approve the minutes, as submitted. Director McDonald seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING MATTERS

The Board reviewed the proposed Amendment No. 2 to Residential Solid Waste Collection Agreement with Best Trash Disposal (the “Amendment”). Discussion ensued regarding credit for missed and/or late garbage and recycling collection. After review and discussion, Director Mensik moved to approve the Amendment, for a term of three months and subject to revision and finalization by ABHR. Director Traylor 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. Following review and discussion, Director Traylor moved to approve the bookkeeper's report and payment of the bills. Director McDonald seconded the motion, which passed unanimously.

TRAVEL REIMBURSEMENT GUIDELINES AND DIRECTOR EXPENSES FOR BOARD OF DIRECTORS WINTER CONFERENCE

Ms. Trachtenberg reviewed the District's Travel Reimbursement Guidelines and the Board discussed expenses for the upcoming Association of Water Board Directors winter conference.

COMMUNITY DONATION REQUESTS

The Board discussed a request by the Odessa Kilpatrick Elementary School Parent Teacher Association to contribute towards the construction of a shade structure over the basketball court at the school, a copy of which is attached. After discussion, the Board concurred to defer action on this agenda item.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Andel presented the tax assessor/collector's report for the month of November and the delinquent tax roll, copies of which are attached. She stated that 12.6% of the 2022 taxes were collected by the end of November.

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

ENGINEERING MATTERS

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

Mr. Mueller updated the Board on the brackish water, reverse osmosis system. He stated that the system has been producing drinking water for last few months and is currently in testing mode.

Mr. Mueller updated the Board on the reclaimed irrigation water, Phase II. He stated that construction is scheduled to start in 2023 and will take approximately one year to complete.

Mr. Mueller updated the Board on the waterline relocation along State Highway 99. He stated that construction is scheduled to start in 2023.

Mr. Mueller updated the Board on the project for sanitary repair along Cinco Ranch Boulevard at Claircrest.

Mr. Mueller then provided an update on the chloramine conversion for North Fort Bend Water Authority ("NFBWA") surface water. He stated that the NFBWA wants to convert Cinco Ranch to surface water and that construction is scheduled to start in January 2023 with the first delivery of surface water expected in 2024. There were no action items for the Board's consideration.

AUTHORIZE UPDATE OF CRITICAL LOAD SPREADSHEET

The Board reviewed the District's critical load spreadsheet, which had been previously provided to the District's operator, engineer, and bookkeeper for review. A copy of the critical load spreadsheet is attached. Ms. Trachtenberg noted that the contact information needs to be updated and provided to certain entities, which include the District's electricity provider, the Public Utility Commission of Texas ("PUC"), and other governmental entities. After review and discussion, Director Mensik made a motion to approve the critical load spreadsheet, authorize providing it to the appropriate entities, and direct that a copy be retained in the District's official records. Director Carlson seconded the motion, which carried unanimously.

AUTHORIZE UPDATE AND FILING OF DISTRICT REGISTRATION FORM

Ms. Trachtenberg stated the District Registration Form must be filed with the Texas Commission on Environmental Quality ("TCEQ") to show the new contact information for the operator. After discussion, Director Mensik made a motion to authorize ABHR to file the District Registration Form with the TCEQ and direct that a copy be retained in the District's official records. Director Carlson seconded the motion, which carried unanimously.

STORM WATER PERMITTING MATTERS 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 November, a copy of which is attached, and updated the Board on facility repair and maintenance matters. She reported the water accountability was 95% for the previous month.

Ms. Bonilla-Odums discussed resident correspondence regarding two sections of sinking sidewalk located near a meter box, noting that District facilities are not impacting the area. She presented a quote from Inframark in the amount of \$2,700.00 to replace two sections of sidewalk, a copy of which is attached. The Board concurred to not take action on this matter.

Ms. Bonilla-Odums discussed resident correspondence regarding reimbursement for diagnostics for a tree root intrusion in the District's service line, a copy of which is attached. Discussion ensued, and the Board concurred to not take action on this matter. The Board directed Inframark to order notification cards including contact information for sewer and/or waterline issues, and directing residents to contact Inframark for initial identification of such issues.

Ms. Bonilla-Odums discussed rules adopted by the PUC to implement legislation prohibiting certain retail water or sewer providers from imposing late fees or terminating service for nonpayment of water bills that are due during a period when the previous day's highest temperature and the predicted temperature for the next 24 hours is not higher than 28 degrees Fahrenheit. Ms. Bonilla-Odums reviewed and discussed the one-time notice of the requirements that must be sent to utility customers by January 31, 2023. Ms. Bonilla-Odums then presented a proposed Amended Rate Order incorporating the provisions of the PUC rules, including terms for customers to request and receive a payment schedule for payment of bills due during such an extreme weather emergency.

After review and discussion, Director Carlson moved to: (1) approve the operator's report; (2) authorize Inframark to order notification cards regarding contact information for sewer and/or waterline issues; (3) authorize Inframark to send the one-time notice to District customers; and (4) adopt the Amended Rate Order and direct that it 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. 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 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 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.

REVIEW AND UPDATE EMINENT DOMAIN REPORT TO THE TEXAS COMPTROLLER

Ms. Trachtenberg reported ABHR has filed the District's Eminent Domain Authority Annual Report with the Comptroller of the State of Texas pursuant to Section 2206.154, Texas Government Code.

DISCUSS MEETING SCHEDULE

The Board concurred to hold the next meeting on January 25, 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 12:22 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, McDonald, Carlson, Traylor, and Mensik, Ms. Trachtenberg, Mr. Baker, Ms. Blanton, and Ms. Durham.

RECONVENE IN OPEN SESSION

The Board reconvened in open session at 12:33 p.m. Director McDonald moved to approve the settlement agreement as discussed during executive session. 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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