

DRAFT

MINUTES
CINCO MUNICIPAL UTILITY DISTRICT NO. 1
(Master)

May 8, 2024

The Board of Directors (the “Board”) of Cinco Municipal Utility District No. 1 (the “District”) met in regular session, open to the public, on the 8th day of May, 2024, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, outside the boundaries of the District, and the roll was called of the members of the Board:

Mike Price	President
Dan Whitton	Vice President
Sharon Bauer	Secretary
Jim Cusack	Assistant Vice President
Robert Duncan	Assistant Secretary

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

Also present at the meeting were Cara Sliva of Artesian Financial Services, LLC; John Taylor of Masuen Consulting, LLC (“Masuen”); Larry Mueller of BGE, Inc.; ElizaBeth Reeves and Russell Piper of Inframark Water & Infrastructure Services (“Inframark”); and Harry H. Thompson and Jennifer Ramirez of Allen Boone Humphries Robinson LLP (“ABHR”).

The District established a telephone option for members of the public to listen to the meeting and to address the Board.

On the telephone was Robert Stowe, member of the public.

PLEDGE OF ALLEGIANCE

The Board conducted the Pledge of Allegiance.

COMMENTS FROM THE PUBLIC

Mr. Stowe inquired about the status of the Microfiltration Reverse Osmosis Plant (“RO Plant”) and Jasper Well No. 1. Mr. Thompson stated that item would be discussed under agenda item no. 6. Mr. Stowe stated that the Cinco Ranch Community Association (“HOA”) has hired Inframark Community Management and inquired if the District’s Inframark representative will be able to communicate directly with the HOA’s Inframark representative. Ms. Reeves stated that Inframark Community Management is a separate division of Inframark, but she will be able to liaison directly with the HOA’s representative as needed.

APPROVE MINUTES

The Board considered approving the minutes of the April 10, 2024, regular meeting and the April 23, 2024, special meeting. After review and discussion, Director Cusack moved to approve the minutes of the April 10, 2024, regular meeting and the April 23, 2024, special meeting, as submitted. Director Duncan seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Sliva reviewed the bookkeeper's report, a copy of which is attached, including the quarterly investment report and the checks presented for payment. She also requested the Board approve check no. 5119 in the amount of \$9,823.55, payable to ABHR.

After review and discussion, and based on the bookkeeper's recommendation, Director Whitton moved to approve the bookkeeper's report and the checks presented for payment, including check no. 5119 as detailed above. Director Cusack seconded the motion, which passed unanimously.

WATER CONSERVATION REPORT

Mr. Taylor reviewed the water conservation report, a copy of which is attached, including the water budget compliance report.

After review and discussion, and based on Masuen's recommendation, Director Duncan moved to approve the water conservation report. Director Cusack seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS (CONT'D)

Ms. Sliva requested the Board approve check no. 5120 in the amount of \$2,563.75 payable to AL Law Group and check no. 5121 in the amount of \$550,607.38, payable to JTR Constructors, Inc.

After review and discussion, and based on the bookkeeper's recommendation, Director Cusack moved to approve check nos. 5120 and 5121 as detailed above. Director Duncan seconded the motion, which passed unanimously.

OPERATION MATTERS

Mr. Piper reported on the operations of the RO Plant and updated the Board on the remaining events to put the RO Plant and Jasper Well No. 1 fully into service.

Ms. Reeves reviewed the operator's report, a copy of which is attached, and stated water accountability for the previous month was 96%. She updated the Board

regarding repairs and maintenance performed during the previous month. Ms. Reeves also reviewed the operational budget tracker, a copy of which is attached.

Ms. Reeves stated that the well motor at water plant no. 2 requires repair in the amount of \$33,985.00 or replacement in the amount of \$46,837.00. She stated that Inframark recommends repair.

Ms. Reeves reviewed two proposals, each submitted by SediVision, LLC, for an analysis of the estimated loss of capacity in the treatment basins due to sediment buildup in the amount of \$36,130.00 for the Central Wastewater Treatment Plant ("WWTP") and \$20,937.50 for the South WWTP. After discussion, the Board requested that a representative of SediVision, LLC attend the next Board meeting to discuss the proposals.

Ms. Reeves reviewed a letter from Inframark regarding the annual Consumer Price Index increase, a copy of which is attached.

After review and discussion, and based on the operator's recommendation, Director Duncan moved to (1) approve the operator's report; and (2) approve the repair of the well motor at water plant no. 2 in the amount of \$33,985.00. Director Cusack seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Mr. Mueller reviewed the engineer's report, a copy of which is attached.

Mr. Mueller updated the Board on the coordination with Inframark on the implementation of the system-wide water quality monitoring plan prepared by Corona Environmental Consulting.

Mr. Mueller updated the Board on the status of construction of the effluent reuse facility at the Cinco Regional WWTP. He reviewed and recommended approval of Pay Estimate Nos. 3 and 4 in the amounts of \$455,219.10 and \$550,607.38, respectively, submitted by JTR Constructors ("JTR").

Mr. Mueller requested the Board defer award of contract for the Phase 2 reclaimed distribution system, pending receipt of bids. Mr. Thompson discussed the surplus funds remaining from the District's 2019 Bonds. Mr. Mueller stated that BGE will prepare a surplus funds and change in scope application to reallocate the surplus funds to the Phase 2 reclaimed distribution system and other planned capital projects.

Mr. Mueller updated the Board on the status of design of the irrigation retrofit of the Phase 2 system.

Mr. Mueller reported that the District received one bid for construction of the

DRAFT

chloramine conversion project. He recommended that the Board award the contract to the low bidder, W.W. Payton Corporation ("Payton"), in the amount of \$2,200,000.00. The Board concurred that, in its judgment, Payton was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

Mr. Mueller reviewed a proposal from BGE for construction phase engineering services for the chloramine conversion project on a time and materials basis in the estimated amount of \$75,000.00.

Mr. Mueller updated the Board on the status of design of the ultraviolet system replacement project at the South WWTP.

After review and discussion, and based on the engineer's recommendation, Director Duncan moved to (1) approve the engineer's report; (2) approve Pay Estimate Nos. 3 and 4 in the amounts of \$455,219.10 and \$550,607.38, respectively, to JTR; (3) award the contract for construction of the chloramine conversion project to Payton in the amount of \$2,200,000.00, contingent upon the North Fort Bend Water Authority's concurrence, and based on the engineer's recommendation and subject to receipt of payment and performance bonds and the certificate of insurance and endorsements, if any, provided by the contractor; and (4) approve the proposal from BGE for construction phase engineering services for the chloramine conversion project on a time and materials basis in the estimated amount of \$75,000.00. Director Cusack seconded the motion, which passed unanimously.

FUNDING OF REGIONAL FACILITIES AND AUTHORIZE APPROPRIATE ACTION

There was no discussion on this agenda item.

U.S. ARMY CORPS OF ENGINEERS LITIGATION

There was no discussion on this agenda item.

MEETING SCHEDULE AND ITEMS FOR INCLUSION ON THE NEXT AGENDA

The Board discussed the regular meeting schedule for June.

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

Secretary, Board of Directors

(SEAL)

DRAFT

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Bookkeeper's report.....	2
Water conservation report	2
Operator's report.....	2
Operational budget tracker	3
Annual CPI increase letter from Inframark	3
Engineer's report.....	3