

DRAFT

MINUTES
CINCO MUNICIPAL UTILITY DISTRICT NO. 1
(Internal)

June 4, 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 4th day of June, 2024, 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:

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

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

Also attending the meeting were Cara Sliva of Artesian Financial Services, LLC; John Taylor of Masuen Consulting, LLC; Dona Washington of Wheeler & Associates, Inc.; Larry Mueller of BGE, Inc.; ElizaBeth Reeves of Inframark Water & Infrastructure Services (“Inframark”); and Sandra Staine and Jennifer Ramirez of Allen Boone Humphries Robinson LLP (“ABHR”).

PLEDGE OF ALLEGIANCE

The Board conducted the Pledge of Allegiance.

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board considered approving the minutes of the May 7, 2024, regular meeting. After review and discussion, Director Duncan moved to approve the minutes of May 7, 2024, regular meeting, as presented. Director Price seconded the motion, which passed unanimously.

TEXAS PUBLIC INFORMATION ACT TRAINING

Ms. Staine discussed the Texas Public Information Act ("TPIA") and noted that the Texas Legislature has made it explicit that officers and employees of governmental entities are temporary custodians of public information. She distributed a memorandum regarding Texas Open Meetings Act ("TOMA") and TPIA training requirements, noted that all Directors have previously completed TOMA training, and encouraged the Board to receive TPIA training as soon as possible and forward their certificate of completion to ABHR for inclusion in the District's permanent records.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Washington reviewed the tax assessor/collector's report, a copy of which is attached. She reported that the District's 2023 taxes were 98.8% collected as of May 31, 2024.

After review and discussion, and based on the tax assessor/collector's recommendation, Director Cusack moved to approve the tax assessor/collector's report and payment of the tax bills. Director Duncan seconded the motion, which passed unanimously.

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTION OF DELINQUENT TAXES

The Board considered authorizing the District's delinquent tax attorney to proceed with the collection of 2023 delinquent taxes as of July 1, 2024. Following review and discussion, Director Cusack moved to authorize the delinquent tax attorney to proceed with the collection of 2023 delinquent taxes. 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, and presented the bills for payment.

After review and discussion, and based on the bookkeeper's recommendation, Director Duncan moved to approve the bookkeeper's report and payment of the bills. Director Cusack seconded the motion, which passed unanimously.

FIRST AMENDMENT TO AGREEMENT FOR BOOKKEEPING SERVICES

The Board deferred discussion on this agenda item.

REPORT REGARDING WATER CONSERVATION MATTERS

Mr. Taylor updated the Board regarding water conservation matters.

OPERATOR'S REPORT

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

Ms. Reeves reported that for the month of April there were two excursions at the South Wastewater Treatment Plant ("WWTP"), which were reported to the Texas Commission on Environmental Quality. She stated that there were no excursions at the Central WWTP.

After review and discussion, and based on the operator's recommendation, Director Cusack moved to accept the operator's report. Director Duncan seconded the motion, which passed unanimously.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE

The Board conducted a hearing on the termination of utility service. Ms. Reeves presented a list of delinquent customers and reported that the customers appearing on the termination list were given proper notice and an opportunity to explain, contest, or correct the utility service bills and show reason why utility service should not be terminated for reason of nonpayment, all as required by the District's Rate Order. Following review and discussion, and based on the operator's recommendation, Director Cusack moved to authorize termination of delinquent accounts in accordance with the District's Rate Order. Director Duncan 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 status of construction of the Claircrest Drive sanitary sewer line repair project. He stated that additional testing on the field conditions was necessary and the work was conducted by HTS, Inc. on an emergency basis. Mr. Mueller stated that the estimated cost for the work was \$7,357 and the work was discussed with Directors Price and Whitton, who concurred with Mr. Mueller's determination that such action was necessary due to the emergency conditions. He stated that the results of the testing were provided to the contractor, who will be working with a dewatering specialist on a plan to complete the project. After review and discussion, Director Duncan moved to ratify the approval of the proposal from

DRAFT

HTS, Inc. Director Cusack seconded the motion, which passed unanimously.

After review and discussion, Director Cusack moved to accept the engineer's report. Director Duncan seconded the motion, which passed unanimously.

MEETING SCHEDULE AND ITEMS FOR INCLUSION ON THE NEXT AGENDA

The Board concurred to hold the next internal meeting on July 2, 2024 at 11 a.m. at the offices of ABHR, subject to confirming a quorum.

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>
Tax assessor/collector's report	2
Bookkeeper's report.....	2
Operator's report.....	3
Engineer's report.....	3