

MINUTES  
CINCO MUNICIPAL UTILITY DISTRICT NO. 7

August 15, 2019

The Board of Directors (the "Board") of Cinco Municipal Utility District No. 7 (the "District") met in regular session, open to the public, on the 15th day of August, 2019, at the offices of Inframark Water & Infrastructure Services, 2002 West Grand Parkway North, Suite 100, Katy, Texas 77449, outside the boundaries of the District, and the roll was called of the members of the Board:

David Drake	President
Timothy J. Doré	Vice President
Greg Nunn	Secretary
Megan Perkins	Assistant Secretary
Scott Drawdy	Assistant Vice President/Investment Officer

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

Also present at the meeting were Shannon Waugh of Off Cinco; Christine Crotwell of Masterson Advisors LLC ("Masterson"); Jacob Floyd of Pape-Dawson Engineers, Inc. ("Pape-Dawson"); Bob Ring of Inframark LLC ("Inframark"); Rose Montalbano of F. Matuska, Inc.; and Greer Pagan and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

APPROVE MINUTES

The Board considered approving the minutes of the July 18, 2019, regular meeting. After review and discussion, the Board unanimously approved the minutes of the July 18, 2019, regular meeting.

PUBLIC COMMENTS AND FUTURE AGENDA ITEMS

The Board reviewed correspondence from the resident at 5806 Centennial Glen Drive, copies of which are attached. After discussion, the Board took no action.

REQUEST FOR INSTALLATION OF SIDEWALKS

The Board discussed the status of the request for installation of two sidewalks.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Montalbano reviewed the bookkeeper's report and investment report, including the bills presented for payment, a copy of which is attached.

Ms. Montalbano reviewed the Cinco Municipal Utility District No. 1 ("Cinco 1") general fund budget for the regional facilities for the fiscal year ending September 30, 2020, a copy of which is attached to the bookkeeper's report. She noted the monthly connection charge increased to \$28.50.

Ms. Montalbano presented and reviewed the proposed budget for the District's fiscal year ending September 30, 2020, a copy of which is attached to the bookkeeper's report. She requested that any comments regarding the proposed budget be submitted to her prior to the District's September meeting, adding that no action was needed at this time.

Following review and discussion, the Board unanimously approved the bookkeeper's report, investment report, and payment of the bills.

#### FORT BEND COUNTY TAX ASSESSOR/COLLECTOR TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Montalbano presented the July report from the Fort Bend County tax assessor/collector, a copy of which is attached. Following review and discussion, the Board unanimously concurred to accept the tax assessor/collector's report for the month of July.

#### DISCUSS 2019 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

Ms. Crotwell presented and reviewed a 2019 tax rate recommendation provided by Masterson, a copy of which is attached. She reported that the District's 2019 certified value, as determined by Fort Bend Central Appraisal District, is \$471,365,965, consisting of \$470,794,584 certified and \$571,381 uncertified. Ms. Crotwell stated Masterson recommends the District levy a tax of \$0.15 for debt service and \$0.185 for the Master District contract tax. The Board discussed the recommendation and the level of the operation and maintenance tax.

After review and discussion, the Board authorized the tax assessor to publish notice of the public hearing on September 19, 2019, to consider adoption of a 2019 total tax rate of \$0.42 per \$100 of assessed valuation, consisting of \$0.15 per \$100 assessed valuation to provide for the District's debt service requirements, \$0.185 per \$100 assessed valuation to provide for the District's Master District contract requirements, and \$0.085 per \$100 of assessed valuation to provide for maintenance and operations.

#### DISCUSS DEVELOPMENT OF DISTRICT WEBSITE

The Board discussed development of a District website. Ms. Waugh presented a proposal from Off Cinco for creation and maintenance of a District website, a copy of which is attached. After review and discussion, the Board unanimously approved the

proposal for a creation and maintenance of a District website, including an initial \$1,500 set up fee and a fee of \$250 per month for hosting and maintenance.

#### OPERATION OF DISTRICT FACILITIES

Mr. Ring presented and reviewed the operator's report, a copy of which is attached. He then discussed operation, maintenance, and repairs of District facilities. Mr. Ring stated that water accountability for the previous month was 97%.

Mr. Ring reviewed one abandoned account with an outstanding balance in excess of \$25.00, and requested authorization to turn over the account to the collection agency to pursue collection.

After review and discussion, the Board unanimously (1) approved the operator's report; and (2) authorized Inframark to turn over the account with an outstanding balance in excess of \$25.00 to the collection agency.

#### TERMINATION OF SERVICE

Mr. Ring presented a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment. Following review and discussion, the Board unanimously authorized termination of delinquent accounts in accordance with the District's Rate Order, and directed that the delinquent customer list be filed appropriately and retained in the District's official records.

#### ENGINEERING MATTERS

Mr. Floyd presented and reviewed the engineer's report, a copy of which is attached.

#### DISCUSS KATY ECONOMIC DEVELOPMENT COUNCIL ("KATY EDC") MEETINGS

Director Drake discussed his attendance at a Katy EDC meeting.

#### WILLOW FORK DRAINAGE DISTRICT MATTERS, INCLUDING PHASE II MS4 STORM WATER MANAGEMENT PLAN IMPLEMENTATION

There was no discussion on this matter.

NORTH FORT BEND WATER AUTHORITY MATTERS

There was no discussion on this matter.

CINCO 1 MATTERS

The Board discussed Cinco 1 matters, including the upcoming capital projects.

LEGAL CONFLICTS WAIVER

The Board tabled this agenda item.

SECOND AMENDMENT TO CONTRACT FOR FINANCING AND OPERATION OF  
REGIONAL WASTE COLLECTION, TREATMENT, AND DISPOSAL FACILITIES  
AND REGIONAL WATER SUPPLY AND DELIVERY FACILITIES

The Board tabled this agenda item.

DISCUSS STATUS OF CLAIM AGAINST THE UNITED STATES ARMY CORPS OF  
ENGINEERS ("USACE")

There was no discussion on this matter.

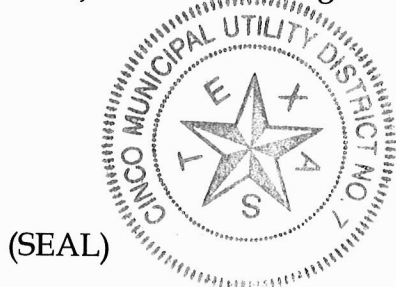
EMERGENCY SERVICES DISTRICT NO. 100 AND MATTERS RELATED TO  
DISTRICT SECURITY

There was no discussion on this matter.

DISCUSS ATTENDANCE AT REGIONAL MEETINGS

There was no discussion on this matter.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.



  
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Secretary, Board of Directors  
Asst V.P.

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Correspondence from the resident at 5806 Centennial Glen Drive .....	1
Bookkeeper's report.....	1
Report received from the Fort Bend County tax assessor/collector .....	2
2019 tax rate recommendation .....	2
Proposal from Off Cinco .....	2
Operator's report.....	3
Pape-Dawson Engineer's Report.....	3