

MINUTES
CINCO MUNICIPAL UTILITY DISTRICT NO. 7

October 17, 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 17th day of October, 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 Directors Doré and Drawdy, thus constituting a quorum.

Also present at the meeting were Mark and Karen Abbruscato, residents of the District; Rene Andel of Wheeler & Associates, Inc.; Jacob Floyd of Pape-Dawson Engineers, Inc. ("Pape-Dawson"); Bob Ring of Inframark LLC ("Inframark"); Rose Montalbano of F. Matuska, Inc.; and Greer Pagan, Jennifer Ramirez, and Lelia Pappas of Allen Boone Humphries Robinson LLP ("ABHR").

APPROVE MINUTES

The Board considered approving the minutes of the September 19, 2019, regular meeting. After review and discussion, the Board unanimously approved the minutes of the September 19, 2019, regular meeting.

PUBLIC COMMENTS AND FUTURE AGENDA ITEMS AND OPERATOR'S REPORT

Mr. Abbruscato addressed the Board regarding the District's storm sewer system and the street flooding in his neighborhood, the Arbor on Willow Fork. He stated that during Tropical Storm Imelda, he believes the street flooding was worse in his neighborhood than in other parts of the District. He requested information on the District's storm sewer maintenance program, including the latest inspection reports and maintenance records. Mr. Abbruscato also requested information on how the District's drainage system operates and possible methods to alleviate the street flooding.

After review and discussion, the Board unanimously authorized Inframark to inspect the storm sewer system in the Arbor on Willow Fork with pole cameras and

authorized Pape-Dawson to conduct a survey of the Arbor on Willow Fork for an amount not to exceed \$10,000.

REQUEST FOR INSTALLATION OF SIDEWALKS

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

CONDUCT ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

The Board reviewed the District's Investment Policy to determine if any amendments were necessary. The Board determined to make no amendments at this time. Following review and discussion, the Board unanimously approved a Resolution Regarding Annual Review of Investment Policy reflecting no changes to the current policy.

REVIEW, REVISE, AND ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

The Board reviewed a list of qualified broker/dealers with whom the District may engage in investment transactions and considered adopting a resolution that approves the list of authorized depository institutions and a list of qualified broker/dealers with whom the District may engage in investment transactions. Following review and discussion, the Board unanimously approved a Resolution Establishing the Authorized Depository Institutions and Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions.

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

Ms. Montalbano presented the September 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 September.

ADOPT RESOLUTION VOTING FOR DIRECTOR FOR BOARD OF DIRECTOR
ELECTION FOR FORT BEND CENTRAL APPRAISAL DISTRICT

Mr. Pagan reported that the District has not yet received the ballot.

EXECUTION OF GENERAL CERTIFICATE IN CONNECTION WITH CINCO
MUNICIPAL UTILITY DISTRICT NO. 1 ("CINCO 1") BOND SALE

The Board considered authorizing the execution of a General Certificate in connection with the Cinco 1 bond sale. Following review and discussion, the Board unanimously authorized the execution of the General Certificate and directed that the General Certificate be filed appropriately and retained in the District's official records.

EXECUTION OF RESOLUTION TO COMPLY WITH THE SECURITIES AND
EXCHANGE COMMISSION RULE 15C2-12 IN CONNECTION WITH CINCO 1 BOND
SALE

The Board considered adopting a Resolution to Comply with Securities and Exchange Commission Rule 15c2-12 ("Resolution") in connection with the Cinco 1 bond sale. After review and discussion, the Board unanimously adopted the Resolution and directed that the Resolution be filed appropriately and retained in the District's official records.

WEBSITE MATTERS

The Board reviewed a website analytics report from Off Cinco, a copy of which is attached, and discussed content on the District's website.

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 93%. He stated that Inframark is surveying the regional system to identify possible areas of water loss.

The Board discussed reports from residents regarding high utility bills. The Board considered adding information to the District's website regarding the meter reading process and water conservation information.

Mr. Ring reviewed three abandoned accounts with an outstanding balance in excess of \$25.00, and requested authorization to turn over the accounts to the collection agency to pursue collection. He also reviewed one abandoned account with an outstanding balance of less than \$25.00, and requested authorization to write-off the account from the accounts receivable ledger as uncollectible.

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

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. He stated that Pape-Dawson reviewed the construction plans for the bathroom at Exploration Park and issued a letter of no-objection, a copy of which is attached to the engineer's report.

The Board discussed an area of street settling at the entrance on Piper Terrace Lane and Mason Road and the entrance at Carriage Bend Drive. Mr. Floyd stated that Pape-Dawson can survey those locations in addition to the Arbor on Willow Fork.

DISCUSS KATY ECONOMIC DEVELOPMENT COUNCIL MEETINGS

There was no discussion on this matter.

WILLOW FORK DRAINAGE DISTRICT ("WFDD") MATTERS, INCLUDING PHASE II MS4 STORM WATER MANAGEMENT PLAN IMPLEMENTATION

Director Drake discussed his attendance at two WFDD meetings.

NORTH FORT BEND WATER AUTHORITY MATTERS

The Board discussed participation in the 2020 Larry's Toolbox conservation program. Mr. Ring stated he will prepare the application for the Board's review at the next regular Board meeting.

CINCO 1 MATTERS

There was no discussion on this matter.

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

The Board discussed the status of the District's claim against the USACE.

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

There was no discussion on this matter.

DISCUSS ATTENDANCE AT REGIONAL MEETINGS

The Board discussed the upcoming Association of Water Board Directors Fall Seminar on October 30, 2019.

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



Secretary, Board of Directors

(SEAL)



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