

MINUTES  
CIMARRON MUNICIPAL UTILITY DISTRICT OF HARRIS COUNTY, TEXAS

April 15, 2020

The Board of Directors (the "Board") of Cimarron Municipal Utility District (the "District") met in regular session by teleconference, with access by telephone available to the public, pursuant to Texas Government Code Section 551.125 and Governor Greg Abbott's emergency disaster declaration dated March 13, 2020, on the 15<sup>th</sup> day of April, 2020, and the roll was called of the members of the Board being present by telephone:

Richard May	President
David F. Jones	Vice President
David Aitken	Secretary
John Linn	Assistant Secretary
Gary Russell	Assistant Vice President

and all the above were present via teleconference, thus constituting a quorum.

Also attending by teleconference were: Kayla Crigger of Municipal Accounts & Consulting, L.P. ("MAC"); Brenda McLaughlin of Bob Leared Interests, Inc.; Brian Bare of Si Environmental, LLC; Erik Spencer of Van De Wiele & Vogler, Inc.; Michael Murr of Murr, Inc.; and Greer Pagan and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

Mr. Pagan reviewed certain recommended protocols for conducting the District's meeting via teleconference. He announced that the meeting was being recorded and that consultant reports presented at the meeting were posted online and available to the public in the form of an "agenda packet" prior to the start of the meeting at [www.districtdirectory.org/agendapackets/cimarronmud](http://www.districtdirectory.org/agendapackets/cimarronmud).

CONSIDER OPERATIONS AND SERVICE REQUIREMENTS RELATING TO COVID-19 EPIDEMIC; MEMORANDUM REGARDING PREPARATION FOR POTENTIAL EFFECTS OF COVID-19 ("MEMORANDUM"); ADOPT RESOLUTION REGARDING DELEGATION OF AUTHORITY DUE TO AN EMERGENCY; AND RESOLUTION DESIGNATING DIRECTOR AS TREASURER DURING COVID 19 DECLARED DISASTER AND AUTHORIZING DISBURSEMENTS

Mr. Bare discussed with the Board District operational and service issues during the state of disaster. Mr. Pagan discussed the likely inability of a majority of the Board to convene and sign checks to pay District expenses relating to District services and District contracts during the declared disaster. Mr. Pagan reviewed the Memorandum and a Resolution Regarding Delegation of Authority Due to an Emergency (the "Resolution"). A copy of the Memorandum is attached. He noted the Resolution

reflects delegations of authority to take certain actions on behalf of the Board or District, including delegation to the bookkeeper to sign approved, authorized checks on behalf of the District in accordance with Section 49.151 of the Texas Water Code.

Mr. Pagan presented and reviewed a Resolution Designating Director as Treasurer During COVID 19 Declared Disaster and Authorizing Disbursements reflecting the designation of a certain Board member as the Treasurer to sign approved, authorized checks from the District's tax account in accordance with Section 49.151 of the Texas Water Code.

Following review and discussion, Director May moved to (1) adopt the Resolution and direct it be filed appropriately and retained in the District's official records; (2) adopt the Resolution Designating Director as Treasurer During COVID 19 Declared Disaster and Authorizing Disbursements reflecting the designation of Director May as Treasurer for the purposes stated therein; and (3) authorize the District bookkeeper and tax assessor collector to courier checks approved at this Board meeting for signature. The motion was seconded by Director Russell. Followed by a roll call vote, the motion passed unanimously with all Directors voting in favor of the motion.

#### PUBLIC COMMENT

Director May offered any members of the public attending the meeting by telephone the opportunity to make public comment. There being no members of the public requesting to make public comment, Director May moved to the next agenda item.

#### MINUTES

The Board considered approving the minutes of the District's regular meeting held on March 18, 2020. Following review and discussion, Director Jones moved to approve the minutes for the District's regular meeting on March 18, 2020. Director Aitken seconded the motion. Following a roll call vote, noting no Directors voting against the motion or abstaining from voting, the motion passed unanimously.

#### SECURITY PATROL

The Board reviewed a patrol report from the Harris County Sheriff's Department and discussed adding patrol officers in the future.

#### FINANCIAL AND BOOKKEEPING MATTERS

Ms. Crigger reviewed the bookkeeper's report, a copy of which is attached, and considered payment of the bills, including annual payment to Costco Wholesale

Corporation (“Costco”) pursuant to the District’s Economic Development Agreement with Costco (the “Agreement”). Mr. Pagan confirmed that the District received back up from Costco required to substantiate payment pursuant to the Agreement.

Following review and discussion, Director May moved to approve the bookkeeper’s report and payment of the bills, including payment to Costco. Director Jones seconded the motion. Following a roll call, noting no Directors voting against the motion or abstaining from voting, the motion passed unanimously.

The Board took no action to amend of the District’s bookkeeping contract with MAC.

#### ARBITRAGE REBATE REPORT

Mr. Pagan next reviewed OmniCap Group LLC’s final arbitrage rebate and yield restriction calculation (the “report”) for the District’s Series 2010 Bonds and said the report concludes that no rebate is due to the Internal Revenue Service.

#### TAX ASSESSMENT AND COLLECTIONS MATTERS AND COLLECTION OF DELINQUENT TAXES

Ms. McLaughlin reviewed a written tax assessor/collector’s report, a copy of which is attached, and discussed property values in the District for 2020 and potential impact of COVID 19 on 2021 values. Following review and discussion, Director May moved to approve the tax assessor/collector’s report, including payment of bills. Director Jones seconded the motion. Following a roll call vote, the motion passed unanimously.

#### ENGINEERING MATTERS AND DEVELOPMENT; ORDERS ADOPTING ELECTRONIC BIDDING AND SIGNATURE RULES

The Board then reviewed the engineer’s report, a copy of which is attached.

Mr. Spencer updated the Board regarding pavement settling issues associated with the Sanitary Sewer Rehabilitation and pavement replacement beyond the original scope included in the contract. Mr. Spencer said Harris County Commissioner, Precinct 3 (“Precinct 3”) has agreed to make the proposed pavement repair/replacement at a District cost of \$30,000. Discussion ensued regarding the contractor’s final pay estimate pending.

Mr. Spencer discussed a request from the Grand Enclave Homeowner’s Association to clean and maintain Ernestes Road right-of-way between the Grand Enclave and water plant no. 2. Mr. Spencer suggested that the right-of-way could be

cleaned when fencing at water plant no. 2 is replaced as part of the capital improvement plan. Mr. Murr estimated that the initial cost to clean the strip is \$6,200 and then \$490 per visit for upkeep, including heavy trash removal. Mr. Spencer said he would bring fence replacement estimates to the May Board meeting. Director Jones said he would ask security to patrol the area more frequently to watch for illegal dumping.

Mr. Spencer reported that Harris County (the "County") inspection passed for final street acceptance in Grand Crossing and said he is waiting on the final acceptance letter from the County. He reported that he is working with the property owner's association (the "POA") to resolve siphon maintenance issues pursuant to the District's maintenance agreement with the POA.

Mr. Spencer discussed development in the District.

The Board considered adopting an Order Adopting Section 49.2731 Electronic Bidding Rules to permit the receipt of bids under Section 49.273 of the Texas Water Code through electronic transmission.

The Board next considered adopting an Order Adopting Electronic Signature Rules for Construction Contracts to set forth rules surrounding the receipt of electronic signatures on construction contracts.

Following review and discussion, Director May moved to (1) approve the engineer's report; (2) authorize repair of pavement by Precinct 3 and payment of the District's share of the repair; (3) adopt an Order Adopting Section 49.2731 Electronic Bidding Rules; and (4) adopt an Order Adopting Electronic Signature Rules for Construction Contracts. Director Linn seconded the motion. Followed by a roll call, the motion passed unanimously with all Directors voting in favor of the motion.

#### STORM WATER PERMITTING MATTERS

Mr. Spencer confirmed that the District's Phase II (Small) MS4 TPDES General Permit was submitted to the Texas Commission on Environmental Quality ("TCEQ") by Harris-Ft. Bend Counties Municipal Utility District No. 5 as part of a cost sharing agreement.

#### LANDSCAPING AND TRAIL REPORT

Mr. Murr reviewed a landscaping maintenance report, a copy of which is attached. Upon a motion by Director Linn and a second by Jones, following a roll call vote, the Board voted unanimously to authorize clean-up of the Ernestes Road right-of-way between the Grand Enclave and water plant no. 2 and then maintain the area once a month.

POND MAINTENANCE AND MOWING

The Board received and reviewed a pond maintenance and mowing report from Champions Hydro-Lawn, Inc., but no action was taken.

OPERATION OF DISTRICT FACILITIES AND TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

Mr. Bare reviewed the operator's report, a copy of which is attached.

After review and discussion, Director May moved to approve the operator's report. Director Aitken seconded the motion. Following a roll call vote, the motion passed unanimously.

Mr. Bare presented the annual report on the District's Identity Theft Prevention Program, a copy of which is attached, and said there were no incidences to report.

The Board took no action on delinquent accounts.

WEST MEMORIAL REGIONAL WASTEWATER TREATMENT PLANT MATTERS

Director Russell reported regarding West Memorial Municipal Utility District regular and advisory committee meetings.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("WHCRWA") MATTERS

There was no discussion nor Board action for this agenda item.

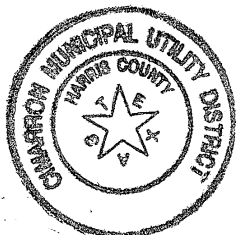
DISTRICT WEBSITE

Director Aitken requested posting of meeting reports on the District website.

There being no further business to come before the Board, the meeting was adjourned at 1:25 p.m.

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Secretary, Board of Directors



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