

MINUTES
CIMARRON MUNICIPAL UTILITY DISTRICT OF HARRIS COUNTY, TEXAS

August 19, 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 19th day of August, 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: Mike Baker of Freeway Properties; Lauren Martin 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.

CONSIDER OPERATIONS AND SERVICE REQUIREMENTS RELATING TO COVID-19 EPIDEMIC (“COVID-19”)

Mr. Bare discussed with the Board District operational and service issues during COVID-19.

PUBLIC COMMENT

Mr. Baker discussed a proposed storefront location for Harris County Sherriff’s Department (“HCSO”) area patrol in the parking garage of one of his properties near the District.

There being no additional members of the public present or requesting to make public comment, Director May moved to the next agenda item.

SECURITY PATROL

Discussion ensued regarding the location of and the proposed buildout for the proposed storefront for HCSO, contracting with HCSO and sharing the cost with other area Districts also contracting with the HCSO for patrol. Following discussion, the Board concurred to place an agenda item on the September 2020 meeting agenda to consider a proposal and any associated agreements.

MINUTES

The Board considered approving the minutes of the District's regular meeting held on July 15, 2020. Following review and discussion, Director May moved to approve the minutes for the District's regular meeting on July 15, 2020. Director Linn seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Martin reviewed the bookkeeper's report, a copy of which is attached, and considered payment of the bills. Following review and discussion, Director May moved to approve the bookkeeper's report and payment of the bills. Director Jones seconded the motion, which passed unanimously.

ANNUAL REPORT

Mr. Pagan stated that the District is required to file certain financial and operating data with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access System ("EMMA"). Following review and discussion, Director May moved to approve the annual report, subject to final review and revision, authorize the attorney to submit the District's updated financial and operating data in compliance with the continuing disclosure provisions contained in the District's bond resolutions through EMMA, and direct that the report be filed appropriately and retained in the District's official records, subject to final review. Director Linn seconded the motion, which passed unanimously.

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. Mr. Pagan stated that no changes are required at this time.

TAX ASSESSMENT AND COLLECTIONS MATTERS AND COLLECTION OF DELINQUENT TAXES

Ms. McLaughlin reviewed a written tax assessor/collector's report and a report from the District's delinquent tax attorney, copies of which are attached. Discussion ensued regarding the impact of COVID-19 on District taxable values, sales tax collections and the budget.

Following review and discussion, Director Aitken moved to approve the tax assessor/collector's report, including payment of bills. Director May seconded the motion, which passed unanimously.

WATER CODE TAX PROVISIONS AND 2020 TAX RATE AND RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2020 TAX YEAR

Mr. Pagan discussed recent legislative changes to the "truth-in-taxation" property tax calculations and tax levy process for water districts in Chapter 49, Texas Water Code. He stated that such legislation established three main categories for water districts, based on a district's development status and/or tax rate. Mr. Pagan reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developed District for the 2020 tax year.

Following review and discussion, Director Aitken moved to: (1) adopt a Resolution Regarding Development Status for 2020 Tax Year establishing the District as a Developed District for the 2020 tax year, pursuant to Section 49.23602 Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director May seconded the motion, which passed unanimously.

ENGINEERING MATTERS AND DEVELOPMENT

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

Mr. Spencer update the Board regarding sanitary sewer rehabilitation plans and said he estimates \$350,000 in repairs identified during sanitary sewer line televising. He requested authorization to advertise for bids for sanitary sewer repairs, as identified during televising.

Mr. Spencer discussed development in the District.

Following review and discussion, Director Aitken moved to (1) approve the engineer's report; and (2) authorize the District engineer to advertise for bids for rehabilitation of sanitary sewer line. Director Russell seconded the motion, which passed unanimously.

STORM WATER PERMITTING MATTERS

The Board received and reviewed a Stormwater Management Program Year 2, 3rd quarter update from Storm Water Solutions, LLC, a copy of which is attached.

LANDSCAPING AND TRAIL REPORT

Mr. Murr discussed landscaping maintenance in the District and updated the Board regarding repair of an irrigation break at Red River and Fernhurst. He also discussed pricing for mulching oleander beds along Highway 99. Following discussion, Director Aitken moved to approve purchase of mulch for an amount not to exceed \$3,000. The motion was seconded by Director Russell and passed unanimously.

POND MAINTENANCE AND MOWING

There was no discussion for this agenda item.

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.

The Board received and reviewed the residents listed on the delinquent statement of the operator's report who were mailed written notice prior to this meeting, notifying them of the opportunity to appear before the Board of Directors to explain, contest or correct the utility service bill and to show reason why utility service should not be terminated for reason of nonpayment. Discussion ensued regarding payment options available to customers with high account balances and providing additional notice to customers scheduled for service termination for nonpayment.

Following discussion, Director Linn moved to (1) approve the operating report; and (2) that, since the residents on the termination list were neither present at the meeting nor had presented any statement on the matter, utility service should be terminated in accordance with procedures set forth in the Rate Order, with additional customer notice, as discussed. Director May seconded the motion, which passed unanimously.

WEST MEMORIAL REGIONAL WASTEWATER TREATMENT PLANT MATTERS

There was no discussion for this agenda item.

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

There was no discussion for this agenda item.

DISTRICT WEBSITE

Director Russell reported regarding customer access to information and services through the District website.

GARBAGE COLLECTION MATTERS

The Board discussed options to extend the District's current garbage and recycling collection contract. Following review and discussion, Director Russell moved to approve a 3-year contract extension with the District's current carrier, Texas Pride Disposal. Director Linn seconded the motion, which passed unanimously.

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



/s/ David Aitken
Secretary, Board of Directors

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