

CORNERSTONES MUNICIPAL UTILITY DISTRICT
Minutes of Meeting of Board of Directors
July 17, 2017

The Board of Directors of Cornerstones Municipal Utility District (District) met at 805 Hidden Canyon, Katy, Texas, on July 17, 2017 in accordance with the duly posted meeting notice. A quorum of Directors was present as follows:

Board Members Present:

1. Morgan Stagg, President
2. Michael D. Chittwood, Vice President
3. Stephen A. Talecki, Asst. Vice President
4. Caleb Burson, Secretary **
5. Tony Garza, Asst. Secretary

Board Members Absent:

None

District Residents Present:

None

Others Present:

Also present were Patty Rodriguez of Bob Leared Interests; Whitney Aelmore of Si Environmental, LLC; Angie Howes of IDS Engineering Group; Terry Holland of Myrtle Cruz, Inc.; Mark W. Brooks of Young & Brooks; Steve Bonjonia of Property Acquisition Services; and Virginia Lester, Recording Secretary.

The meeting was called to order at 5:30 p.m. and declared open for such business as might come before the Board.

1. Approval of Minutes:

Upon motion duly made, seconded, and unanimously carried, the minutes of the June 19, 2017 meeting were approved.

2. Questions/Comments from the public:

N/A

3. **Consider Consultants Reports (as needed):**

a) **Tax Assessor-Collector:**

Patty Rodriguez of Bob Leared Interests, the District's Assessor/Collector, reported on the status of the District's tax collections. Ms. Rodriguez reported that the District is 99.79% collected for 2015 and 99.04% for 2016. She responded to questions from the Board.

After discussion, upon motion duly made, seconded, and unanimously carried, the Board approved the Tax Assessor's monthly report and the paying of bills.

b) **Financial Advisor:**

N/A

c) **Operator Report:** [i. Monthly Report, ii. Authorize Repairs, iii. Conduct hearing on termination of water and sewer service.]

Whitney Aelmore of Si Environmental, LLC, the District's Operators, reported to the Board regarding District operations and facilities. Ms. Aelmore reviewed her written report with the Board and responded to questions.

Ms. Aelmore reported that three trouble reports were submitted in July and all have been repaired.

A. 22502 Park Point, Ms. Broussard: Repairs were made to the sanitary lines. Three bushes were damaged and the resident requested that the bushes be replaced at the cost of \$25.00 each. After discussion, upon motion duly made, seconded, and unanimously carried, the Board approved the replacement of three bushes at the cost of \$75.00.

B. 2110 Wild Dun Cr: The resident requested that the MUD approve a sewer credit to the base rate of his monthly bill. After discussion, the Board approved the credit.

C. Highland Knolls and Mason Road: The Operators repaired a damaged water line. The Board authorized a chargeback to MCIMetro Access Transmission Services for damage caused to the water line on Highland Knolls.

Ms. Aelmore informed the Board that Trash Inserts will be added to the resident's monthly bills.

The Board conducted a hearing on the possible termination of utility services for delinquent accounts. Ms. Aelmore presented a list of utility accounts that are delinquent by more than 60 days. She reported that the listed customers were given written notice 10 days prior to this meeting, and that they had been provided an opportunity to appear before the Board to explain, contest or correct the utility service bill and to show why the utility service should not be terminated for nonpayment. None of the customers on the list were present and none have presented any statement on the matter.

After discussion, upon motion being duly made, seconded and unanimously carried, the Board approved the Operator's report, and authorized the processing of the delinquent accounts in the usual and customary manner.

d) Engineer's Report:

Angie Howes of IDS Engineering Group (IDS), the District's Engineer, attended the meeting and presented the Engineer's Report. Mr. Carpenter advised the Board as to the status of pending District projects and responded to questions.

Ms. Howes stated the water well site and waterline are under design. IDS has prepared metes and bounds for both the sanitary control easement and the water well site. The documents have been forwarded to Mark Brooks of Young & Brooks. The easement will be coordinated with Harris County.

The letter to Cinco Ranch Golf Club regarding sanitary control at their maintenance yard has been mailed.

The study of the Sanitary Sewer Rehabilitation project is almost complete and tapes are being reviewed for the prioritization of repairs.

Ms. Howes submitted a request for payment approval for Pay Estimate No. 1 in the amount of \$27,055.17. The Pay Estimate is for Sanitary Sewer Cleaning and Televising Phase 2.

President Stagg spoke with the owners of the car wash to discuss their concerns in regard to the construction of sidewalks. The car wash agreed to a temporary easement so the project can proceed.

Upon motion duly made, seconded and unanimously carried, the Board approved payment of Pay Estimate No. 1 in the amount of \$27,055.17 and approved the Engineer's Report.

e) Bookkeeper's Report:

Terry Holland of Myrtle Cruz, Inc., the District's bookkeeper, presented the District's monthly report. The report included a list of bills for the approval of payment. A copy of the report is attached.

After discussion, upon motion duly made, seconded and unanimously carried, the Board approved the Bookkeeper's Report, authorized payment of bills, and ordered checks to be issued on the appropriate District accounts in payment thereof.

** Board member Caleb Burson joined the meeting at 6:10 PM after being delayed.

4. Discuss and authorize any necessary actions in connection with Highland Knolls sidewalk project:

N/A

5. Property Acquisition Services update and authorization of any necessary actions in connection with acquisition of easements for Well No. 2 discharge line:

Steven Bonjonia of Property Acquisition Services provided the Board with a status report on the remaining six easements required for the well discharge line.

The Board discussed issues concerning any property damage that may occur during construction. All property damage during construction will be repaired. After construction is completed, any future repairs will only be made on items that existed prior to the easement being signed.

6. Closed executive session in accordance with the Open Meetings Act, Texas Government Code Section 551.071, 551.072 and/or 551.074, if necessary:

N/A

7. Discussion & action on any items discussed in Executive Session:

N/A

8. Authorize any necessary actions in connection with District website:

N/A

9. Authorize any necessary actions in connection with greenbelt tracts:

After discussion, upon motion duly made, seconded and unanimously carried, the Board authorized Mike Chittwood to request that the landscaper trim trees around two light fixtures on the greenbelt.

10. Cinco Regional Operating Committee Report:

The C.R.O. Report for July 2017 was reviewed.

11. Pending Business:

A Board member advised the Board that in the green belt near Brook Grove and Highland Knolls, there is erosion near a storm sewer. Ms. Aelmore of Si Environmental advised that the Board the Operators will check the storm sewer, place a safety net around it, and repair any damage.

There being no further business to come before the Board, a motion was made, seconded and unanimously carried to adjourn the meeting at 6:55 p.m.

Secretary

Attachments:

Bookkeeper's Report