

CORNERSTONES MUNICIPAL UTILITY DISTRICT

Meeting Minutes of the Board of Directors

March 18, 2019

The Board of directors of Cornerstones Municipal Utility District (District) met at 805 Hidden Canyon Road, Katy, Texas on Monday, March 18, 2019 in accordance with the duly posted meeting notice. A quorum of directors was present as follows:

Board members present

1. Morgan Stagg, President
2. Mike Chittwood, Vice-President
3. Stephen A. Talecki, Asst. Vice President
4. Virginia Lester, Secretary
5. Tony Garza, Asst. Secretary

Board members absent

None

District residents present

None

Others present

- 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 (arrived at 5:55)
- Sandra Rimmer, Recording Secretary
- Len Forsyth with the Harris County Emergency Services District No. 48
- Kevin Atkinson with Texas Pride Disposal

The meeting was called to order at 5:40 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 January 21, 2019 meeting were approved with Stephen Talecki abstaining.

2. Questions/comments from the public

Len Forsyth briefed the Board on the rapid growth in area, population, and number of emergency service responses in district 48. District 48 has obtained approval from Harris County for traffic light control at 121 intersections to help decrease response times and requested funds for the traffic light control system in Cornerstones MUD in the amount of

\$12,072.20. The total cost for the full department is \$208,777.48. Mr. Forsyth also responded to questions from the Board and discussed the testing and maintenance around fire hydrants in apartment complexes. Mr. Forsyth will inquire further. The Board expressed tentative approval to fund their part of the traffic light control initiative allocating the requested funds from the SPA money.

Kevin Atkinson of Texas Pride Disposal updated the Board on recent issues and performance. He communicated the problems around the handling of items that are difficult to dispose of such as hazardous waste and electronics. Mr. Atkinson will explore alternative disposal sites to facilitate disposal of such items. No other issues were noted.

3. Consider consultants' reports as needed

a) Tax Assessor-collector

Patty Rodriguez reported on the status of the District's tax collections. Ms. Rodriguez reported that the District is 95.558% collected for 2018, 99.613% collected for 2017, and 99.890% collected for 2016. Ms. Rodriguez also presented the Cornerstones SPA Revenue report. Discussed items include the following:

- Ms. Rodriguez responded to a question about a property that was on the delinquent list with the prior owners' name. The property was sold in July. Ms. Rodriguez will check with the Harris County Appraisal District to have them update the name and owner information.
- Ms. Rodriguez also noted a distribution error in the Disbursements report for the month of March with a disbursement to Las Tarascas Meat Market & Gro being erroneously included.

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) Operator

Whitney Aelmore of Si Environmental LLC, the District's operator, reported to the Board regarding District operations and facilities.

i. Monthly report

Ms. Aelmore reviewed her written report with the Board and responded to questions. Discussed items include the following:

- Si Environmental LLC replaced the CL2 analyzer at the water plant. They also replaced the hinges at the bottom of the gate at the water plant.
- It was also noted that when the fire hydrant located at the Eagle Meadow turnout is relocated, the water service for 5 to 7 homes will be affected. These residents will be notified.

ii. Conduct hearing on termination of water and sewer service

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.

c) Engineer

Angie Howes of IDS Engineering Group (IDS), the District's engineer, presented the engineer's report. Ms. Howes advised the Board on the status of pending district projects and responded to questions.

- IDS requested approval of Pay Estimate No. 4 in the amount of \$297,000.00 to Principal Plant Services, LLC for Proposed Water Well No. 2. The project is 56% complete. The contractor started demobilizing the drilling rig at the end of February. Two customer complaints were handled by Principal Plant Service, who satisfactorily resolved the issues.
- Pre-construction meetings for the proposed water transmission line were conducted on March 14 with G&A Directional Boring. IDS requested authorization of the geotechnical proposal from Tolunay-Wong Engineers in the amount of \$4,986.00.
- IDS solicited bids for Water Plant No. 2 hydrotanks on March 1, 2019 and received three bids. They recommended awarding the contract to the lowest, responsible bidder, D&M Tank LLC, with a bid of \$25,390.00.
- For the Sanitary Sewer Rehabilitation project, the final two line sections requiring repairs should have been completed the week of March 11, 2019. The contractor plans on finishing and demobilizing by the end of March.
- The removal of the driveway turnout at Eagle Meadow and Holly Lake Drive in Creekstone awaits relocation of the fire hydrant and the Harris County inspection.
- IDS met with Harris County Engineering Department Recovery and Resiliency Division to discuss drainage and infrastructure improvements for, and related to, Creekstone subdivision. BGE consulting will present its findings from a drainage study at public meetings in conjunction with Harris County, Memorial MUD, and Cimarron MUD in the second quarter of 2019.

Upon motion duly made, seconded, and unanimously carried, the Board approved the engineer's report, the Pay Estimate No 4 in the amount of \$297,000.00 to Principal Plant Services, LLC, the geotechnical proposal from Tolunay Wong Engineers, and the award of the contract for Water Plant No. 2 hydrotanks to D&M Tank LLC.

d) Bookkeeper

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.

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.

4. Discuss and authorize any necessary actions in connection with NFBWA Conservation Toolbox Initiatives

None.

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

Mr. Chittwood communicated the prices and recommendations for replacing the removed crepe myrtles. It was recommended that the District install the 30-gallon trees, a drip irrigation system, and the application of disease treatment.

A deep root feeding of the pine trees in the greenbelt tracts was also discussed. A decision on the deep root feeding will be determined after a cost estimate has been obtained.

After discussion, upon motion duly made, seconded, and unanimously carried, the Board approved up to \$7,500.00 for the crepe myrtle installation, drip irrigation, and disease treatment.

6. Cinco Regional Operating Committee Report:

Morgan Stagg presented the bookkeeper's report, the operator's report, and the engineer's report from the February 14th meeting. Noted items include the following:

- The scour areas were surveyed on January 30th
- The committee is still waiting on funds for channel rehabilitation
- The lift station mixer still waiting on new parts
- The committee is also waiting on installation of new tanks.

7. Pending Business

The Board discussed the compromised storm sewers at the daycare center on Chesterwick Drive in Chesterfield. Ms. Howes will follow up with county.

There being no further business to come before the Board, a motion was duly made, seconded, and unanimously carried to adjourn the meeting at 7:03 p.m.

Secretary

Attachments:

Bookkeeper's Report