

CORNERSTONES MUNICIPAL UTILITY DISTRICT

Meeting Minutes of the Board of Directors

April 15, 2019

The Board of directors of Cornerstones Municipal Utility District (District) met at 805 Hidden Canyon Road, Katy, Texas on Monday, April 15, 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
- Sandra Rimmer, Recording Secretary
- Gregg Nady of the Ft. Bend Emergency Services District

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 January 21, 2019 meeting were approved.

2. Questions/comments from the public

Gregg Nady updated the Board on the planned hike and bike trail extension. The owner of the one easement remaining requested a bench at an approximate cost of \$1000. The cost has been approved by the county and payment will be requested when the amount is finalized. The groundbreaking is estimated for May 2019.

3. Discuss and authorize any necessary actions in connection with ESD traffic signal controller project

The ESD traffic signal controller project is currently on hold. There are no actions at this time.

4. 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 96.090% collected for 2018, 99.645 % collected for 2017, and 99.899% collected for 2016.

Ms. Rodriguez reported nothing unusual about the Delinquent Tax Report, and that eligible uncollectible items have been moved off the delinquent list. She also presented the Cornerstones SPA Revenue chart for 2015 through 2018.

After discussion, upon motion duly made, seconded, and unanimously carried, the Board approved the tax assessor's monthly report and the paying of bills, and authorized issuing water service termination notices to the delinquent accounts that are eligible for that remedy.

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, responded to questions, and also reported the following:

- The identity theft report was clear.
- The fire hydrant at the Eagle Meadow turnout was successfully relocated.
- She has received no feedback about the fire hydrants in the apartment complex.

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.

- The drilling rig for Proposed Water Well No. 2 (Principal Plant Services, LLC) has been removed from the site and the flow test is complete. The hydrogeologist reviewed and evaluated the data. The report included a summary of the findings. Principal Plant Services is installing storm inlets and pipe for site drainage and is ready to start installation on the fence. Anticipated completion remains at July 12, 2019.
- The pre-construction meeting for Water Plant No. 1 hydrotanks (D&M Tank) was held on March 28, 2019. The notice to proceed was issued for April 8, 2019. The Operator has hydrotank no. 1 ready for coating and will be ready to be returned to service within six days of starting work.
- The notice to proceed for the Proposed Water Transmission Line (G&A Boring Directional) is anticipated for May 13, 2019. The contractor will take pictures of easements so that they can be restored to preconstruction condition.
- The Sanitary Sewer Rehabilitation project (Vortex Turnkey) is complete and the contractor is off-site. The final post videos and pay application will be sent over the week of April 15th. IDS will have a final walk through with the Operator before closing out the project.
- The construction plans for Popeye's at 2020 South Mason Road were reviewed and approved.
- IDS requested approval of Pay Estimate No. 3 to Camino Services for the removal of the Eagle Meadow driveway turnout.
- With respect to the damaged drains on Tree House Academy property, Harris County responded that the county "cannot expend funds on private property infrastructure. The drainage to a County facility has no bearing on this issue. This is the property owner's/tenant's responsibility to repair/maintain."

Upon motion duly made, seconded, and unanimously carried, the Board approved the engineer's report, and Pay Estimate No 3 in the amount of \$2,707.60 to Camino Services, 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.

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

The North Fort Bend Water Authority asked if the district would like to include inserts in their water bills regarding the W.I.S.E Guys irrigation evaluation program. Ms. Aelmore replied yes.

6. Consider and possibly approve Harris County Flood Control request for Temporary Construction Easement crossing greenbelt

Concerning improvements to the channel, Harris County requested revisions to the agreement to ensure that the condition of the easement post construction would be the same or improved.

It was also noted that there is an upcoming meeting on April 24th to discuss drainage improvements to Creekstone subdivision.

After discussion, upon motion duly made, seconded, and unanimously carried, the Board approved the Harris County Flood Control request for the temporary construction easement crossing the greenbelt and the requested revisions to the agreement.

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

Mike Chittwood met with Alex Trepp with Junction Landscaping about improvements to the greenbelt tracts and received updated figures around disease prevention which Mr. Trepp will resubmit.

8. Cinco Regional Operating Committee Report:

Morgan Stagg presented the bookkeeper's report, the operator's report, and the engineer's report from the March 14th meeting and responded to questions.

9. Pending Business

Ms. Stagg attended Cinco MUD 1 meeting. The reuse water buildout is about a year off. The completion of the deep brackish water well has been pushed back another 2 months or so due to numerous delays.

Ms. Stagg also attended the Association of Water Board Directors Spring Membership Breakfast with Mayor Turner on April 12th. There are no currently planned joint ventures.

There being no further business to come before the Board, a motion was duly made, seconded, and unanimously carried to adjourn the meeting at 6:25 p.m.

Secretary

Attachments:

Bookkeeper's Report