

**CORNERSTONES MUNICIPAL UTILITY DISTRICT**

**Meeting Minutes of the Board of Directors**

**June 17, 2019**

The board of directors (Board) of Cornerstones Municipal Utility District (District) met at 805 Hidden Canyon Road, Katy, Texas on Monday, June 17, 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**

- Kristen Scott of Bob Leared Interests
- Whitney Aelmore of Si Environmental, LLC
- Matthew Carpenter of IDS Engineering Group
- Terry Holland of Myrtle Cruz, Inc.
- Mark W. Brooks of Young & Brooks
- Sandra Rimmer, 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 May 20, 2019 meeting were approved.

**2. Questions/comments from the public**

None.

**3. Consider consultants' reports as needed**

**a) Tax Assessor-collector**

Kristen Scott reported on the status of the District's tax collections. Ms. Scott reported that the District is 97.451% collected for 2018, 99.656 % collected for 2017, and 99.892% collected for 2016.

Ms. Scott reported nothing unusual about the Delinquent Tax Report, and that eligible uncollectible items have been moved off the delinquent list. The Cornerstones SPA Revenue chart for 2015 through 2018 was attached to the report.

Ms. Scott 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, 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.

**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 the processing of the delinquent accounts in the usual and customary manner.

**c) Engineer**

Matthew Carpenter of IDS Engineering Group (IDS), the District's engineer, presented the engineer's report. Mr. Carpenter advised the Board on the status of pending district projects and responded to questions. Projects presented include the following:

- **Proposed Water Well No. 2** (Principal Plant Services, LLC): The well driller expects delivery of the permanent pump in 2 weeks. The Contractor has completed the installation of the storm sewer, the pouring of the building foundation, and the installation of the electrical duct banks. The building is complete except for the brick facade. The Contractor anticipates meeting the construction contract completion date of July 17, 2019. IDS recommends payment be made for Pay Application No. 6 in the amount of \$101,700.00.
- **Water Plant No. 1 Hydrotanks** (D&M Tank): The Contractor has completed the project and IDS is working to schedule a final inspection to close the project. IDS recommends payment be made for Pay Application No. 2 in the amount of \$10,021.50.
- **Proposed Water Transmission Line** (G&A Boring Directional): The notice to proceed was issued on May 14, 2019, which will result in a contract completion date of August 12,

2019. The Contractor has mobilized and has completed approximately 15% of the project and is working from Highland Knolls and Mason towards Water Plant No. 1.

- **Sanitary Sewer Rehabilitation** (Vortex Turnkey): The contractor is complete. IDS has reviewed the post rehabilitation videos and found them to be complete. IDS will close the project once they have received a final pay application.

Upon motion duly made, seconded, and unanimously carried, the Board approved the engineer's report, and the following pay applications: Pay Application No. 6 in the amount of \$101,700.00 to Principal Plant Services, LLC, and Pay Application No. 2 in the amount of \$10,021.50 to D&M Tank.

**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**

NFBWA designed a sign for districts which successfully participated in the 2018 program, and sent an email to Si Environmental offering signs to the District. Ms. Aelmore will respond yes to the signs. Placement of the signs will be determined later.

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

No new business.

**6. Cinco Regional Operating Committee Report:**

Morgan Stagg presented the bookkeeper's report, the operator's report, and the engineer's report from the May 9<sup>th</sup> meeting and responded to questions.

**7. Pending Business**

None.

There being no further business to come before the Board, a motion was duly made, seconded, and unanimously carried to adjourn the meeting at 6:18 p.m.

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Secretary

Attachments:

Bookkeeper's Report