

MINUTES
INTERSTATE MUNICIPAL UTILITY DISTRICT

January 8, 2019

The Board of Directors (the "Board") of Interstate Municipal Utility District (the "District") met in regular session, open to the public, on the 8th of January, 2019, at the regular meeting place outside the boundaries of the District, and the roll was called of the members of the Board:

Barry Kaplan	President
Clark Glickman	Vice President
James P. ("Rick") Ellis	Secretary/Treasurer
Larry Smith	Assistant Vice President
Chris Townsend	Assistant Secretary/Treasurer

and all of the above were present, except Director Smith, thus constituting a quorum.

Also present at the meeting were Tracey Timpanaro; Tara Klein of Four and One; Kerry Crellin; James Terry of Terry's Landscape LLC; David Patterson of Assessments of the Southwest; Avik Bonnerjee of B&A Municipal Tax Service, LLC; Rose Montalbano of F. Matuska, Inc.; Randy Bowles of LJA Engineering, Inc. ("LJA"); Don Self of Inframark Water & Infrastructure Services ("Inframark"); and Robert A. Seale and Patti Hopper of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the previous meeting. Director Ellis moved to approve the minutes. Director Townsend seconded the motion, which carried unanimously.

TAX ASSESSOR/COLLECTOR'S REPORT

Mr. Patterson reviewed the tax assessor/collector's report, a copy of which is attached. He reported that the District's 2018 taxes are 24.71% collected. Following review and discussion, Director Glickman moved to approve the tax report and payment of the tax bills. Director Ellis seconded the motion, which was approved by unanimous vote.

BOOKKEEPER'S REPORT AND APPROVE PAYMENT OF BILLS

Ms. Montalbano distributed the bookkeeper's report, including a list of checks presented for payment, and the investment report, copies of which are attached. Director Townsend then moved to approve the bookkeeper's report, including payment

of the bills. Director Kaplan seconded the motion. All Directors voted in favor of the motion, thus the motion carried.

ANNUAL REVIEW OF INVESTMENT POLICY

Mr. Seale stated the District must annually review its Investment Policy in accordance with the Public Funds Investment Act. The Board next conducted the annual review. After review and discussion, Director Kaplan moved to adopt a Resolution Regarding Annual Review of Investment Policy without amending the District's Investment Policy. Director Ellis seconded the motion, which carried unanimously.

ADOPT LIST OF QUALIFIED BROKER/DEALERS

Mr. Seale reviewed an updated list of banks and broker/dealers and a Resolution Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions. After review and discussion, Director Kaplan moved to adopt the Resolution Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions. Director Ellis seconded the motion, which passed by unanimous vote.

ANNUAL DISCLOSURE STATEMENTS

Mr. Seale then presented the Board with the annual disclosure statements for the Investment Officer/bookkeeper. He stated that the disclosures must be filed with the Texas Ethics Commission. After review and discussion, Director Kaplan moved to approve the disclosures and to authorize filing of same with the Texas Ethics Commission. Director Ellis seconded the motion, which passed by unanimous vote.

SECURITY REPORT

Mr. Crellin discussed security matters. A copy of the security report is attached. After review and discussion, Director Townsend moved to approve the report. Director Kaplan seconded the motion, which carried unanimously.

PARK, LAKE, AND TRAIL MAINTENANCE REPORT

Mr. Terry reviewed the monthly park maintenance report and irrigation report, a copy of which is attached. The Board requested Mr. Terry to add action items to his report. After review and discussion, Director Glickman moved to approve the report and the action items. Director Townsend seconded the motion, which carried unanimously.

REPORT FROM FOUR AND ONE

Ms. Klein presented the contract for construction of the security building for execution. Director Glickman moved to approve the report. Director Ellis seconded the motion, which carried unanimously.

ENGINEER'S REPORT

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

Mr. Bowles updated the Board regarding the line relocations and grading for the security building.

Mr. Bowles updated the Board regarding the Water Plant Control Panel and Generator Replacement and presented the contracts for execution.

Mr. Bowles updated the Board regarding the Water Plant and Remote Well Coating Project and stated no action was necessary.

After discussion, Director Ellis moved to approve the engineer's report and the action items. Director Glickman seconded the motion, which carried unanimously.

OPERATOR'S REPORT

Mr. Self reviewed with the Board the operator's report, a copy of which is attached. He reported that water accountability for the previous month was 92.2% and stated there were no excursions at the wastewater treatment plant.

Discussion ensued regarding the District's televising program. Mr. Self stated the latest report has been provided to LJA for evaluation. Director Ellis moved to approve the report and the action items. Director Townsend seconded the motion, which passed by unanimous vote.

HEARING ON TERMINATION OF SERVICE TO DELINQUENT CUSTOMERS AND AUTHORIZE TERMINATION OF SERVICE

Mr. Self reported that the customers on the termination list were mailed written notice prior to this meeting in accordance with the Rate Order, 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. Director Ellis moved that, since the customers on the 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. Director Townsend seconded the motion, which carried unanimously.

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

The Board discussed the WHCRWA and noted no action was necessary.

UPDATE ON WEST MEMORIAL MUNICIPAL UTILITY DISTRICT WASTEWATER
TREATMENT PLANT ADVISORY COMMITTEE

Director Ellis updated the Board regarding committee matters.

KATY AREA ECONOMIC DEVELOPMENT COUNCIL MATTERS

Director Ellis updated the Board regarding Council matters.

WEBSITE

Director Kaplan stated several issues have been corrected.

COMMUNITY OUTREACH FOR DISTRICT PARK FACILITIES

Ms. Timpanaro stated she looks forward to working with the District.

MEETING SCHEDULE

The Board concurred to hold the February 12, regular meeting at the offices of ABHR.

EXECUTIVE SESSION

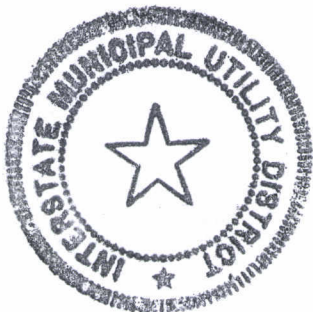
At 12:53 p.m. the Board convened in Executive Session.


OPEN SESSION

At 1:10 p.m., the Board reconvened in Open Session. The Board requested Director Glickman to proceed with making an offer to CrossPoint Church.

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

(SEAL)




Secretary, Board of Directors

ACTION LIST

1. The Board will hold the February 12, 2019 meeting at the offices of ABHR.
2. Mr. Terry will add action items to his report.
3. Director Glickman will make an offer to Crosspoint Church.

LIST OF ATTACHMENTS TO MINUTES

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