

MINUTES
INTERSTATE MUNICIPAL UTILITY DISTRICT

February 12, 2019

The Board of Directors (the "Board") of Interstate Municipal Utility District (the "District") met in regular session, open to the public, on the 12th of February, 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 Tara Klein of Four and One; Kerry Crellin; James Terry and Katie Leatherwood of Terry's Landscape LLC; Brittni Silva of Assessments of the Southwest; Avik Bonnerjee of B&A Municipal Tax Service, LLC; Rose Montalbano of F. Matuska, Inc.; Donnie Reed of LJA Engineering, Inc. ("LJA"); Don Self of Inframark Water & Infrastructure Services ("Inframark"); and Robert A. Seale and Holly Huston of Allen Boone Humphries Robinson LLP ("ABHR").

EXECUTIVE SESSION

At 11:30 a.m., the Board convened in Executive Session.

OPEN SESSION

At 11:33 a.m., the Board reconvened in Open Session. Director Kaplan moved to authorize execution of an engagement letter with McFarland PLLC for land acquisition legal services and adopt a Resolution Declaring Acquisition of Land a Public Necessity and Authorizing Initiation of Condemnation Proceedings. Director Townsend seconded the motion, which carried unanimously.

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

Ms. Silva reviewed the tax assessor/collector's report, a copy of which is attached. She reported that the District's 2018 taxes are 81.89% collected. Following review and discussion, Director Townsend moved to approve the tax report and payment of the tax bills. Director Glickman 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 Ellis then moved to approve the bookkeeper's report, including payment of the bills. Director Townsend seconded the motion. All Directors voted in favor of the motion, thus the motion carried.

SECURITY REPORT

Mr. Crellin discussed security matters. After review and discussion, Director Glickman moved to approve the report. Director Townsend 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. 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 updated the Board regarding the security building. Ms. Klein stated she has reached out to AT&T to determine the status of their lines. She stated the weather has not permitted any progress over the last month. Ms. Klein reviewed a proposal from Spark 1200 for repairing and installation of signage. She stated the total estimated cost is \$14,083.00. Director Glickman moved to approve the report and the Spark 1200 proposal. Director Kaplan seconded the motion, which carried unanimously.

ENGINEER'S REPORT

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

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

Mr. Reed updated the Board regarding the Water Plant Control Panel and Generator Replacement and presented Pay Estimate Nos. 1 and 2 in the amounts of \$18,000.00 and \$79,951.50, respectively.

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

After discussion, Director Townsend moved to approve the engineer's report and the pay estimates. Director Glickman seconded the motion, which carried unanimously.

INTERLOCAL AGREEMENT WITH HARRIS COUNTY

Mr. Seale stated Harris County is planning traffic signal upgrades and additional turn lanes at Kingsland and Westgreen to improve traffic flow in the area. Mr. Seale stated Harris County has requested the District and Mason Creek Utility District to share the costs equally for the project with the County. He stated the County indicated they will not proceed with the entire project unless all parties agree to participate. The Board concurred to participate if Mason Creek Utility District also participates. Director Kaplan stated he would contact Mason Creek Utility District to determine their interest. The Board concurred not to take any action until Mason Creek Utility District's intentions are known.

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 100.6% and stated there were no excursions at the wastewater treatment plant.

Mr. Self presented a proposal to repair the Lift Station No. 2 pump for a cost of \$15,545.00.

Discussion ensued regarding Carl's Jr. Mr. Self stated the account currently stands at \$8,836.97 due, and will be sent to collections.

Director Kaplan moved to approve the report and the lift station pump repair. Director Ellis 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 Kaplan 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 Ellis 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 and Mr. Self updated the Board regarding committee matters. Mr. Self stated the plant received a violation notice from the Texas Commission on Environmental Quality for exceeding e-coli limits, and corrective measures have been taken.

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

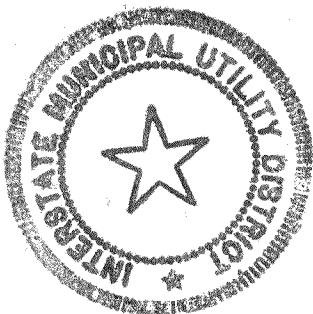
Director Glickman updated the Board regarding community outreach programs. Director Kaplan requested Director Glickman to request Ms. Timpanaro to include Ms. Hopper, Mr. Crellin, Mr. Terry, and Director Glickman on the District's event calendar.

MEETING SCHEDULE

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

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 March 12, 2019 meeting at the offices of ABHR.
2. Director Glickman will request Ms. Timpanaro to add additional persons to the event calendar.
3. Director Kaplan will contact Mason Creek Utility District.

LIST OF ATTACHMENTS TO MINUTES

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