

MINUTES OF MEETING
BOARD OF DIRECTORS

December 18, 2018

THE STATE OF TEXAS §
COUNTY OF HARRIS §
CHARTERWOOD MUNICIPAL UTILITY DISTRICT §

The Board of Directors (the "Board") of Charterwood Municipal Utility District (the "District") met in special session, open to the public, at 16444 Cutten Road, Houston, Texas, a designated meeting place outside the boundaries of the District, on Tuesday, December 18, 2018, at 7:00 p.m.; whereupon, the roll was called of the members of the Board, to-wit:

Jean Aldredge	-	President
Tommy Kelley	-	Vice President/Treasurer
Grace Jackson	-	Secretary
Tom Thomson	-	Assistant Secretary
Mark Shultz	-	Assistant Secretary

All members of the Board were present thus constituting a quorum.

Also attending the meeting were Stephanie Hendershot of Bob Leared Interests, the District's Tax Assessor/Collector ("TAC"); Michael Murr of Murr Inc., the District's landscape architect ("Murr"); Wendy Austin of District Data Services, Bookkeeper for the District ("Bookkeeper"); Mark Adam with Bleyl & Associates, the Engineer for the District ("Engineer"); Ken Love with Municipal District Services, the District's Operator ("Operator"); Justin Jenkins with McCall Gibson Swedlund Barfoot PLLC, Auditor for the District ("Auditor"); Deputy Martino and Lt. Cohen of Harris County Precinct 4 Constables Office; and Timothy Green and Laken Jenkins, attorneys, of Coats|Rose P.C.,

legal counsel for the District (“Coats|Rose”). Also present was Joshua Cox with Probitas Realty Advisors.

WHEREUPON, the meeting was called to order at 7:10 p.m.

The posted meeting notices are attached hereto as Exhibit “A”.

HEAR FROM PUBLIC

No member of the public chose to speak.

RECEIVE CONSTABLE’S REPORT

The Board recognized Deputy Martino who reviewed the monthly statistics within the District, a copy of which is attached hereto as Exhibit “B”.

APPROVE MINUTES OF MEETINGS OF NOVEMBER 27, 2018

The Board reviewed the minutes from the meeting of November 27, 2018, previously distributed to the Board. Upon a motion made by Director Jackson and seconded by Director Kelley, the Board approved the minutes of the meeting of November 27, 2018.

BOOKKEEPER’S REPORT

The Board recognized Ms. Austin who reviewed the bookkeeping report for the current reporting period, including the District’s receipts, expenditures, capital projects and debt service funds, a copy of which is attached hereto as Exhibit “C”.

Following discussion regarding bookkeeping matters, and based on a motion by Director Thomson, which was seconded by Director Kelley, the Board voted unanimously to approve the Bookkeeper’s report, payment of the bills referenced therein.

DEVELOPER REIMBURSEMENT AUDIT

The Board recognized Mr. Jenkins who presented a draft of the Developer Reimbursement Audit for 249 Rodgers LLC., a copy of which is attached hereto as Exhibit "D". Upon a motion duly made by Director Jackson, seconded by Director Shultz the Board voted unanimously to approve the Developer Reimbursement Audit.

TAX ASSESSOR/COLLECTOR'S REPORT

The Board recognized Ms. Hendershot who reviewed the TAC report for the period ending November 30, 2018, a copy of which is attached hereto as Exhibit "E", noting that 8.00% of the 2018 taxes have been collected to date. She further reported on receipts and disbursements from the tax account and reviewed historical tax data.

Next, Ms. Hendershot inquired if the Board would like to purchase a new aerial map of the District for 2019.

Following a full review of the TAC report and based on a motion by Director Shultz which was seconded by Director Jackson, the Board voted unanimously to approve the TAC's Report, authorize payment of tax-related matters, and authorize the purchase of a new aerial map of the District.

ENGINEERS REPORT

The Board recognized Mr. Adam who reviewed and discussed the Bleyl Engineer's Report, a copy of which is attached hereto as Exhibit "H".

Drainage Facilities

Vintage/Cutten Detention Pond Inspections – November Storm Water Solutions

Inspections were presented and a recommendation of \$905.00 in maintenance work for presented for approval.

Pillot Gully Storm Sewer Outfall Report

A follow up inspection of the storm sewer outfalls was performed on December 11, 2018, an updated status report is being prepared. The report will prioritize and provide recommendations for rehabilitations and repairs.

Water Distribution System

Cost estimate for replacement of certain water lines has been prepared and incorporated into the District's 5-Year Plan. The review of water demands is being processed.

Wastewater Collection System

Construction drawings and bid documents are in progress for this project. Bids are expected at the January 2019 board meeting.

Cutten Road Administration Sign

The revised plans for the proposed sign have been resubmitted to Harris County.

After further discussion and based on a motion by Director Thomson which was seconded by Director Jackson, the Board voted unanimously to approve the Engineer's report and authorize detention pond maintenance in the amount of \$905.00.

Status of Pillot Gully Trail Erosion

Mr. Adam presented a memorandum addressing the Pillot Gully Trail erosion, a copy of which is attached hereto as Exhibit "G". He stated that the storm sewer in question is a 48-inch diameter corrugated metal pipe that extends from the "E" Inlet approximately 70 feet into Pillot Gully. The pipe was televised by Source Point Solutions which indicated that the corrugated metal pipe is failing and allowing inflow resulting in the settlement around the inlet. Harris County Flood Control District has

been notified and has set up a project for the repair but does not have a time frame for the commencement or completion. After further discussion and based on a motion by Director Thomson which was seconded by Director Jackson, the Board voted unanimously to authorize the engineer to solicit three (3) written bids for the project.

OPERATOR'S REPORT

The Board recognized Mr. Love who presented the Operations Report for November, 2018 and updated the Board on collections, water production and accountability, a copy of which is attached hereto as Exhibit "H". He noted that the total connections for the District are 1385. He also reviewed the list of accounts scheduled for termination due to non-payment. Mr. Love further noted that there was 95.10% accountability for water pumpage during the current reporting period.

The Operator requested an amendment to the District Rate Order to allow initial deposits be billed on the first bill instead of prepaying. A revised Section 4.01 "Security Deposits" is included in the Operator's Report.

After further discussion and based on a motion by Director Jackson which was seconded by Director Shultz, the Board voted unanimously to approve the Operator's report and amend the District's Rate Order.

REPORT FROM MICHAEL MURR

The Board recognized Mr. Murr who updated the Board on the status of the District's various landscaping projects and rental requests. He stated he had received a bid for cameras to monitor the generator of \$13,000.

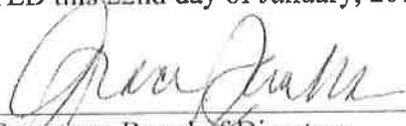
Mr. Murr requested the January 2019 agenda include authorization to move forward with getting bids for the District's planned dog park.

DISCUSS DISTRICT EMAILS

Director Shultz reviewed the various emails received this month and the action that was taken on each.

There being no further business to come before the Board, upon a motion duly made, seconded and approved unanimously, the meeting was adjourned.

PASSED, APPROVED AND ADOPTED this 22nd day of January, 2019.



Secretary, Board of Directors

(DISTRICT SEAL)

