

MINUTES OF MEETING  
BOARD OF DIRECTORS

August 27, 2019

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 regular session, open to the public, at 16444 Cutten Road, Houston, Texas, a designated meeting place outside the boundaries of the District, on Tuesday, August 27, 2019, 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"); Adam Cohen with R.W. Baird & Co., Financial Advisor for the District; Ken Love with Municipal District Services, the District's Operator ("Operator"); Officer Drake and Lt. Cohen of Harris County Precinct 4 Constables Office; and Laken

Jenkins, attorney, and Beth Van Doren, paralegal, of Coats|Rose P.C., legal counsel for the District (“Coats|Rose”).

WHEREUPON, the meeting was called to order at 7:00 p.m.

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

### **HEAR FROM PUBLIC**

The Board noted that there were no members of the public wishing to address the Board.

### **RECEIVE CONSTABLE’S REPORT**

The Board recognized Officer Drake and Lt. Cohen, who reviewed the monthly statistics within the District. No action was taken on this agenda item.

### **APPROVE MINUTES OF MEETINGS OF JULY 23, 2019**

The Board reviewed the minutes from the meeting of July 23, 2019, 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 July 23, 2019.

### **FINANCIAL ADVISOR’S REPORT**

The Board recognized Mr. Cohen who presented and outlined a summary of potential effects of refunding bonds, a copy of which is attached hereto as Exhibit “B”. He explained the concept of refunding bonds to the Board and possible net present value savings to the District as well as the estimated annual reduction of debt service payments if the bonds were refunded. Based on a motion by Director Jackson, seconded by Director Shultz, after full discussion and the question being put to the Board, the Board voted unanimously to authorize Mr. Cohen to move forward with the refunding bonds.

Mr. Cohen presented the Board with a list of Underwriters for Texas Special District Transactions, a copy of which is attached hereto as Exhibit “C”. After further discussion and

based on a motion by Director Jackson, seconded by Director Shultz, after full discussion and the question being put to the Board, the Board voted unanimously to authorize Mr. Cohen to engage SAMCO Capital Markets as Underwriter for the refunding bonds.

**Discuss tax levy for 2019 and set Public Hearing and publish thereof**

Mr. Cohen presented the FA's recommendation for the District's tax levy for tax year 2019, a copy of which is attached hereto as Exhibit "D". The FA recommendation noted an increase in certified value of approximately 2.02% from last year's certified value and recommended that the Board reduce the tax rate to \$0.405 per \$100 of valuation. Mr. Cohen responded to comments and questions from Board members concerning the recommendation. Based on a motion by Director Kelley which was seconded by Director Thomson, the Board voted unanimously to publish the 2019 tax rate at \$0.405 per \$100 of valuation, consisting of \$0.255 for debt service and \$0.15 for maintenance.

**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 "E".

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

**TAX ASSESSOR/COLLECTOR'S REPORT**

The Board recognized Ms. Hendershot who reviewed the TAC Report for the period ending July 31, 2019, a copy of which is attached hereto as Exhibit "F", noting

that 98.8% 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.

Following a full review of the TAC report and based on a motion by Director Thomson which was seconded by Director Kelley, the Board voted unanimously to approve the TAC's Report and authorize payment of tax-related matters.

### **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 "F".

#### **9900 Lake Road Four Plex Units**

Mr. Adam presented an executed letter from Ernesto Gray regarding a waiver of the buffer zone requirement.

#### **Vintage/Cutten Detention Pond Monthly Inspection Report**

Mr. Adam presented Storm Water Solutions Invoice No. 7707 in the amount of \$950.00 for maintenance of the District's detention and drainage improvements and recommended same for payment. The Engineer's Report includes the current inspection report for the drainage facilities.

#### **Water Plant No 2 Fence Improvements**

The fence improvements have been completed. Pay Estimate No. 1 in the amount of \$12,897.57 was presented and recommended for payment.

After further discussion and based on a motion by Director Thomson seconded by Director Kelley, the Board voted unanimously to: (i) approve the engineers report; (ii) Invoice No. 7707 in the amount of \$950.00; and (iii) approve Pay Estimate No. 1 in the amount of \$12,897.57.

### **Crest Management**

Mr. Adam stated he was contacted by Crest Management regarding a homeowner who was constructing a gazebo over an existing drainage easement and reserve tract. They requested a letter stating that the District has no objection to the construction of these improvements. He advised them that the District does not own or maintain drainage improvements in this development and that they are privately owned. After further discussion and based on a motion by Director Thomson, seconded by Director Kelley, the Board voted unanimously to authorize Mr. Adam to advise them that the District is not responsible for the property.

### **OPERATOR'S REPORT**

The Board recognized Mr. Love who presented the Operations Report for July 2019 and updated the Board on collections, water production and accountability, a copy of which is attached hereto as Exhibit "G". 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 99.0% accountability for water pumpage during the current reporting period.

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.

### **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, a copy of which is attached

hereto as Exhibit "H". After further discussion and based on a motion by Director Kelley, seconded by Director Thomson, the kitchen repairs.

**DISCUSS DISTRICT EMAILS**

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

**DIRECTOR COMMENTS**

The Board noted that the District's laptop was broken. After further discussion and based on a motion by Director Kelley, seconded by Director Thomson, the Board voted unanimously to authorize Director Shultz to replace the District's laptop at a cost not to exceed \$2,000.

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

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PASSED, APPROVED AND ADOPTED this 24th day of September, 2019.

*Mark Smith*  
Asst. Secretary, Board of Directors

(DISTRICT SEAL)

